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Profile of the
Queen, page 6

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THE

MONDAY FEBRUARY 1 1982

TIMES

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Suicidal Aslef, by Rodgers

The attitude of the Associated Society of Locomotive Engineers and Firemen in the dispute causing the rail strike is suicidal, Mr William Rodgers, one of the joint leaders of the Social Democrats, said. "No sane government will invest in electrification and renewal if a handful of men and a bloody-minded union break agreements and exploit their bargaining power." Page 2

Police hurt in Bristol clashes

Two policemen were injured, one seriously, in two nights of clashes in Bristol between groups of white and black youths. Thirteen black and eight white youths were arrested and extra police were in the streets. Page 2

Rape decision not Fairbairn's

Mr Nicholas Fairbairn, who resigned as Solicitor General for Scotland over the Glasgow rape case, said yesterday that the decision not to prosecute was not taken by him and he had no knowledge of it at the time. Back page

Owen leadership move attacked

Several SDP MPs voiced fears that the party might get involved in the damaging contest for the leadership. They were critical of Dr David Owen, who recently said he wanted a contest, and some spoke of a "sop Roy Jenkins" move. Page 2

Schmidt plays down illness

Herr Helmut Schmidt, the West German Chancellor, played down reports that he had been taken ill at a local SDP party conference on Saturday. He insisted that a formula for financing an unemployment scheme must be found by Wednesday. Back page

Ritchie-Calder dies at 75

Lord Ritchie-Calder, the scientist and journalist, died yesterday in Edinburgh, aged 75. Starting as a junior reporter on a local newspaper, he became an international scientific author and was made a life peer in 1966. A Times obituary will appear tomorrow.

Industry call to cut fuel bill

The steel industry is spearheading renewed demands that the Government should act to cut energy-intensive industries' fuel bills. The steel industry last year paid out £520m for gas, electricity and fuel oil. Page 11

CIA tried to hire Bani-Sadr

Agents of the American Central Intelligence Agency (CIA) tried and failed to recruit Mr Abolhasan Bani-Sadr as an informant before he became president of Iran, according to an account in *The Washington Post*. Page 4

UK wins record Far East deal

Lord Carrington, the Foreign Secretary, has announced a credit agreement for the largest package of British goods and services yet exported to Indonesia. The deal, worth £125m, will help in the expansion of an oil refinery. Page 6

Masterful Davis earns revenge

Steve Davis won the final of the Benson and Hedges Masters tournament at Wembley, when he beat Terry Griffiths 9-5. Davis gained revenge for his defeat by Griffiths in the Lada tournament earlier in the month. Sydney Friskin, page 15.

Sinai force

The Israeli Cabinet has agreed to the participation of Britain, France, Holland and Italy in the international force which is to police Sinai after it is returned to Egypt on April 26. Page 4

Letters: On disconnecting fuel supplies, from Mr Alex Henney; Roosevelt and power, from Mr P. F. Breakell; long-distance paths, from Mr Alan Mattingly. Leading articles: European air fares; President Reagan's visit to Europe. Features, pages 6 and 8

Thirty years a Queen; a profile by Alan Hamilton; what Susie's death could mean for Soviet Communism; Obituary, page 10 Mr Stanley Holloway.

Home News 2, 3	Property 19
Overseas 4, 6	Religion 10
Appointments 10	Sale Room 10
Arts 7	Science 2
Business 11-14	Services 23
Court 15	Snow reports 16
Crossword 22	Sport 15-18
Diary 8	TV & Radio 21
Events 22	Theatre, etc 21
Features 6, 8	25 Years Ago 22
Letters 9	Weather 22
Lurid cartoon 4	Whits 10

205 arrested in clashes near Gdansk shipyard

By Our Foreign Staff

Fourteen people were injured and 205 arrested when police clashed with youths who tried to storm public buildings in Gdansk, the Polish news agency PAP reported yesterday. It was the first report of street disturbances this year in Poland, and the worst in Gdansk since the martial law was declared on December 13. The trouble reportedly started on Saturday evening when a group of youths began shouting and distributing anti-state leaflets near the Baltic port's Lenin shipyard. PAP said many people were returning home from work and initially showed little interest in the demonstration. Police arrived and quickly restored order, but the organisers later tried again to stir up trouble in the centre of the city and refused to disperse when ordered by the police, PAP reported. The demonstrators attempted to attack public buildings and behaved aggressively towards the police, who finally chased them from the scene. Eight policemen were among the injured.

By 8 pm the city was calm, the agency said. It described the incidents—which occurred two days before today's introduction of drastic price increases for basic foods and for fuel and electricity—as a serious violation of martial law. PAP said the majority of those arrested were students and secondary school pupils, and their offences were being considered by summary courts. The agency said that, because of the disturbances, martial law authorities had tightened restrictions in the city, cut off telephone services, banned the use of private cars and extended the curfew by three hours. It now ran from 8 pm to 5 am.

According to the Interior Ministry, the measures were aimed at showing that Polish authorities "are determined to make order and calm reign". The ministry also accused the "irresponsible elements" who provoked the incidents, of taking advantage of measures taken by the authorities to ease the restrictions of the state of siege.

Communications from Warsaw have been severed since the military crackdown and Western correspondents are not allowed to travel outside Warsaw. There was no immediate word on why PAP did not report the riot until last night.

The Polish authorities were planning to relax some of the stricter martial law restrictions, partly to ease everyday life for the population but also to ensure the smooth running of the economy (Roger Boyes writes in an earlier dispatch from Warsaw).

Further relaxation of travel and curfew hours had been expected to be announced over the next 10 days. Apart from the economic necessity of some of these measures, the Government appears to be motivated by two other considerations. The first is to show a degree of responsiveness to public pressure, as articulated by the Roman Catholic Church, and to improve its image in the West.

It is now evident that many of the Gdansk shipyards—not the Lenin yard—have been closed for a fortnight, workers having been told to take two weeks holiday. This partly reflects a dearth of orders but also the real fear that the birthplace of Solidarity would become a rallying point for fresh protests. Go slow protests are, according to unofficial sources, planned in Wroclaw factories and at the Ursus tractor factory in Warsaw.

All Polish newspapers at the weekend bitterly condemned Sunday's United States television show *Let Poland Be Poland* as a grave interference in its domestic affairs. Second, the Government is cringing some policy leverage ahead of the food price rises. In announcing a degree of relaxation in his speech last Monday, General Wojciech Jaruzelski, head of the Military Council, made clear that such concessions would be withdrawn if there was significant unrest over the restrictions. Inter-city telephone communication is to be restored within 10 days—though all conversations will be subject to censorship—and domestic telegrams and business telex services will also be restored. The Polish Government has had to balance the prospect of the Solidarity underground making use of the new telephone links to reorganise, against the tangible damage being done to manufacturing industry.

In the last few months, scarcity of raw materials had become a fixed problem of Polish industry and managers were often forced to telephone or telex contacts throughout the country to obtain, for example, scrap iron or chemicals. Since martial law, this has been impossible and many factories have been paralysed as a result.



World champion, 19, skiing in the rain

The new first lady of skiing, 19-year-old Erika Hess of Switzerland, showing extraordinary balance in winning the special slalom on a rain-soaked piste at Schladming, Austria. "Described by her coach as a 'nature girl' with strong nerves, Fraulien Hess, took the gold medal yesterday in the first combined downhill and slalom event to be staged. Erika has been described as a living advertisement for her native country—not to speak of her equipment and sponsors. She comes from a farm near Interlaken in the Alps. The supreme slalom specialist of the past two seasons, at one point winning 10 out of 11 races, she gave another demonstration of her flawless technique yesterday, clocking the fastest time on the first leg, but taking care on the second, which was run on a chemically-treated course. (Page 16).

Avalanche kills 12 teenagers

Salzburg, Jan 31—Twelve young West Germans were killed in an avalanche which buried a party of 18 on a ski slope near here today. One other was still missing.

Police said that six youths were rescued unhurt from the avalanche. The party had been led by an experienced West German slitting instructor, Hermann Tum, who disregarded an avalanche warning, they added. The group had been following a skiing course on the 1,400 metre (4,600 feet) Elmau mountain, near the village of Werfening.

It was made up of students and teachers from a private school in the Bavarian town of Berchtesgaden, near the Austrian border. They came from various parts of West Germany and were on a skiing holiday. The rescue operation involved more than 140 police, firemen and other rescue workers, equipped with powerful search lights. Police said that dozens of volunteers also joined in bringing lamps and torches to help light up the scene of the accident.

The rescue was carried out in constant danger of further avalanches, after a day of unseasonably warm weather throughout eastern Austria. Police reported that the avalanche broke loose shortly after 3 pm (14.00 GMT). The alarm was raised by a member of the school group, who managed to free himself from the snow, and alerted the proprietors of a mountain-top inn. The search carried on long after dark, with searchlights combing the pitch-dark slopes. The operation was finally called off after seven hours, because of the threat of a new avalanche.

The Elmau is located in the pine-forested Tennen mountain range, in Salzburg province. The area is one of many steep ridges, and is popular with holidaymakers for its picturesque ski trails.

One person remained missing in the late evening.

National strike threat against labour Bill

By David Felton, Labour Reporter

Senior leaders of the trade union movement yesterday warned the country of outright opposition, including the use of political strikes, to the Government's proposed labour legislation.

Invoking memories of the union's opposition to the Heath Government's Industrial Relations Act, the officials, who included general secretaries of the country's three biggest unions, said that they were even prepared to embark on a national strike to defeat the Employment Bill.

They expressed anger particularly at clauses in the Bill which allow for compensation of up to £20,000 for workers who refuse to join a union where a closed shop exists would lead to the creation of "bounty hunters". Mr Duffy said he believed that the Government would try to establish case law in an area involving one union and would hope that the rest of the movement would treat that union in isolation or not support it. "I feel, again sadly, that that act by the Government will mean that the whole of the trade union movement could be involved in a national strike," he said.

Asked by Brian Walden, the programme's producer, whether ordinary trade unionists would be prepared to strike against clauses in the Bill when it was enacted, Mr Duffy replied: "When we request our people to show loyalty to the trade union movement, that loyalty will be forthcoming."

That view had been rejected earlier in the programme by Mr Tidd who said he thought the legislation would "stick". The mood of workers on the shop floor, he added, was much more realistic than that of their union leaders. Recent experiences had shown that "trade union leaders who try to go out on a political crusade are not followed by their members."

The TUC is organizing a special conference of union executives in April to mount opposition to the legislative proposals.

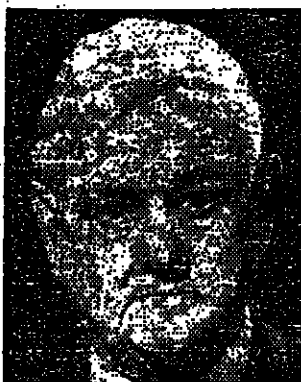
Bill would curb wives' rights

By Our Political Reporter
The Government is preparing legislation to change the laws on divorce which will reduce the rights of former wives to maintenance payments.

Lord Hailsham of St Marylebone, the Lord Chancellor, is anxious to act in the present parliamentary session on the recommendations of the Law Commission for England and Wales, made only last December, and hopes to include the proposals in the Administration of Justice Bill for which time has already been allotted in the government's programme and which will soon be introduced in the Lords.

If it turned out not to be possible to include the changes in that Bill, they might have to wait until the next session of Parliament. The Government has accepted the Law Commission's recommendation that the provision in section 25 of the Matrimonial Causes Act 1973 which asks courts to try to make a settlement which enables the parties to enjoy the same standard of life as previously should be ended.

It has also accepted the commission's proposal that the



Lord Hailsham: wants to act soon.

courts should be given power in appropriate cases to dismiss a wife's claim for periodical payments without her consent. In implementing the changes, the government will be following the commission's recommendation that the law on the financial consequences of divorce should give greater emphasis to the principle that the divorced parties should aim to become self-sufficient and not continue to rely on main-

tenance from the other spouse. It said that the courts should give greater weight to a divorced wife's earning capacity and consider more often setting a time limit on maintenance orders where they feel that a wife needs time to adjust to her new situation, but she should not expect to rely on her former husband indefinitely.

Under the new legislation, courts will be able to order a financial "clean break", a once-for-all settlement, in appropriate cases, although the commission recognized that that would be almost impossible where there were young children.

It was pointed out in government circles yesterday that such cases would not be common. The sort of situation envisaged by the commission was a childless marriage which had lasted a comparatively short time and the wife had earning capacity.

The legislation will result in the courts having to give greater overriding priority to the provision of adequate financial support for children.

Effluent curse of the Sphinx

From Christopher Walker
Cairo, Jan 31

A combination of sewage, air pollution, salt, sun, sand and wind is seriously threatening the Sphinx, the majestic—but now sadly crumbling—monument which has guarded the pyramids at Giza, on the outskirts of Cairo for nearly 5,000 years.

Yesterday, Dr Ahmed Kadri, the chairman of Egypt's official antiquities department, told a parliamentary committee that recent restoration work had failed to halt the deterioration of the 239ft long sun god, which has the body of a lion and the face of a human.

At a time when Egypt's economy is facing severe problems, Dr Kadri said that the £340,000 was urgently needed for repairs. He suggested the setting up of a fund and pointed out that recent restoration work had been very limited "and in medical terms had only had the effect of a tranquillizer".

The gravity of the problems facing the inscrutable limestone monument have long been a cause for concern among archaeologists. They were brought home dramatically to the Egyptian public last November when the Sphinx's left leg, comprising 120 blocks of stone put there by restorers in Graeco-Roman times, fell off.

Earlier, Al Ahram had conducted a vigorous campaign designed to alert the authorities to the danger that without rapid action, the monument erected on the orders of King Khéphren, could be lost forever. Among suggestions made for preserving it was the suggestion of a protective glass bubble to act as a windshield.

Over the centuries the monument has had to be dug out of the encroaching desert sand on three occasions. But its latest troubles are more serious and largely result from the rising water table caused by the lack of a sewage system in the neighbouring hamlet of Nazlet el-Seemann.

As a result, the maze of underground passages in the area around the statue have become clogged by effluent. An American research team reported in 1978 that water was seeping into the porous limestone of the body and then evaporating to leave tiny crystals of salt which were making the stone brittle and fragile.

Controversy has surrounded recent attempts to cure the Sphinx's environmental problems, with some Egyptologists claiming that the attempted cures were often worse than the ailments.

In 1980 an attempt to replace blocks was halted after the discovery that one source of the rock weakening had been the use of bad mortar in previous restorations.

In addition, the monument is under constant attack from sandstorms, the vicious extremes of temperature experienced in the desert, and more recently, air pollution from Cairo's traffic.

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NEWS IN SUMMARY

Licensing of sex shops attacked

Mrs Mary Whitehouse, the campaigner against pornography, has written to Mr William Whitelaw, the Home Secretary, to protest against local authorities getting powers to license sex shops under the Local Government (Miscellaneous Provisions) Bill, which comes up for its remaining stages in the House of Commons on Wednesday (A Staff Reporter writes).

She said yesterday: "This move is a political sharp practice on the part of those who are in the Home Office and have consistently resisted all attempts to tighten up the obscenity laws."

The introduction of licensing will inevitably have the opposite effect to what the anxious public expects from it and will make the role of the police quite impossible. I call upon Mr Whitelaw to introduce effective obscenity legislation before this backdoor legalization of pornography takes hold."

Mrs Whitehouse said she would present a petition containing half a million signatures to the Prime Minister at Downing Street tomorrow.

£250,000 stolen from police safe

More than £250,000 in cheques and cash has been stolen from a safe in the offices of the Transport Police at Victoria Station, London.

No force was used to open the door. Police believe the money was removed. The disappearance of the cash and cheques, which was to have been evidence in a court case, occurred more than two weeks ago but was disclosed only yesterday.

Poll support for work sharing

Most people with jobs would agree to cut their hours to create work for the unemployed, according to a Gallup Poll published in *The Sunday Telegraph* yesterday. The poll, of 1,792 adults in more than 170 districts, also showed that 70 per cent of the respondents felt the Government should give priority to measures against unemployment rather than inflation.

Briton shares chess title

John Nunn, the British international grandmaster, has scored a great success in coming equal first with Balashov, the Soviet grandmaster, in the Grandmaster tournament which ended yesterday at Wijk aan Zee, in Harlem (our Chess Correspondent writes).

Boy accused of rape

A schoolboy, aged 15, is to appear before Camberwell juvenile court, in south London, today accused of raping and robbing a girl aged 22 and also raping a girl aged 20, seven days later.

Driver on rape charge

A motorist is to appear before magistrates at Mildenhall, Suffolk, today accused of raping the wife of an American serviceman as she walked home from a party eight days ago.

Beating black ice

A device to warn motorists of black ice on roads is being developed at Nottingham University.

Correction

Tracy Stamp received a nine-month suspended sentence at Newport Crown Court, Gwent, on Friday, not a three-month suspended sentence as stated in the Press Association report published on Saturday.

BR may suspend guaranteed pay in Aslef dispute

By David Felton, Labour Reporter

British Rail, which yesterday took the first steps to stem the rising losses caused by the train drivers' strikes by refusing to pay all but essential maintenance workers, is considering further action to avoid paying wages when no trains are running.

As the Associated Society of Locomotive Engineers and Firemen (Aslef) held its third consecutive Sunday strike, BR told 50,000 workers, who would normally earn £25 an overtime rate for Sunday working, to stay at home. Only 15,000 maintenance men were instructed to report for duty.

The BR board meets tomorrow and may be forced into planning a suspension of the guaranteed weekly wage for its 170,000 workers to that it can avoid paying wages to other staff when Aslef members are holding their two-day mid-week strike.

A final decision on suspension of the guaranteed wage, which could also cause legal difficulties for BR, is said to be some way off. In the meantime, senior railway managers are planning their hopes for a settlement of the dispute now in its fourth week, on a successful intervention by the Advisory, Conciliation and Arbitration Service (Acas).

Acas, after failing in other attempts to bring the sides closer together, has proposed a committee of inquiry, which has the backing of BR and the other rail unions but so far has not been approved by Aslef. The dispute is over BR's decision to withhold a 3 per cent pay increase from 20,000 train drivers because Aslef has not agreed to proposals for changes in rostering.

The Aslef executive is due to start meeting this afternoon but may not get around to discussing the inquiry until tomorrow, probably to await the result of the BR board's deliberations. The executive will also have to decide on future strategy but is unlikely to approve extended action or a variation of the tactic of

How drivers' leader may stiffen union's resolve

By Paul Routledge, Labour Editor

British Rail management fears that relations with the striking footplate men will worsen in the wake of a power struggle in the Associated Society of Locomotive Engineers and Firemen (Aslef).

A new president, Mr Derek Fullick, aged 53, a driver from the militant Waterloo depot, came to office just before the present strikes began, as a result of an unexpected vote ousted Mr William Ronsley, the veteran Communist.

In a sudden reversal of Aslef's electoral voting pattern, left and right-wingers joined forces to reject Mr Ronsley, who had been re-elected president every year since 1974. Even so, the vote was a surprise. Mr Charles Rodger, from Scotland, who is now vice-president, withdrew his backing.

A senior British Rail source last night predicted that relations with the train drivers would deteriorate even further as a result of the election outcome. "Ronsley was an old-fashioned militant, a railwayman first and a Communist second."

Mr Fullick himself vehemently denies any such charge, insisting: "As far as work is concerned, my politics and involvement with the Labour Party are one thing; what I am industrially is another. I am not a member of any group or bodies at all."

The coup that brought him to power took place at Aslef's first executive meeting of 1982. Even the train drivers' nine-man leadership met to choose a chairman from among its number for the coming year. A year ago Mr Ronsley was elected by eight votes to one.

On this occasion, with one vote vacant and Mr Edward Miles, the London Transport motormen's leader, absent on sick leave, the vote was five to two in favour of the new candidate.

Mr Fullick, nicknamed "the old grey fox" by his colleagues, is an industrial militant, in the best Aslef tradition, having

started his working life at Waterloo depot in 1944 as an engine cleaner. He qualified as a driver in 1953 and worked the footplate on long runs to Bournemouth, Salisbury and Portsmouth, as well as "round the houses" in south London and Surrey coastal commuterland. With other Aslef drivers, when the executive is not in session he is required to report for duties. He last took a train out two weeks before Christmas.

"I would call myself a defender of the faith, and that faith is my workmates' conditions of service. I do not think we are any more militant in Southern Region than anybody else," he argued.

If, as expected, Mr Ronsley wins the North-East Region's organizers' job in a ballot due on February 25, and therefore leaves the lay executive, it seems certain that Mr Fullick will enjoy a long tenure of office as president.

Mr Fullick privately calculates that his reign will make its task of negotiating down the number of footplate men more difficult. That is, however, the kind of reputation likely to stand him in good stead in Southern Region constituents.



Mr Derek Fullick: Aslef tradition of militancy.

STAMPS UP, PHONE CALLS DOWN

By Clive Cookson

Postal charges go up today by an average of 9.3 per cent. The new rates start at 12p for an inland second-class letter and 15p for first class.

Prices would not be raised again for at least a year, Mr Ronald Dearing, chairman of the Post Office, said yesterday. The Post Office said the increase was about 2 per cent below the general rate of inflation since charges went up more than a year ago.

Meanwhile British Telecom has cut the cost of international telephone calls to the United States, Canada and the Caribbean by a third. A three-minute direct-dialled call to New York at the cheap rate will cost £1.49, 74p less.

However, it is still cheaper to call Britain from the United States. New Yorkers pay about \$2.40 for a three minute call to London.



Family party: Mr Harry Nagelsztajn and his sister Manya (centre) with (from left) Kathie Janger, Joan and Michael Kornblit, Cecilia Nagelsztajn, Majir Kornblit, and Judith and Michael Nagelsztajn.

39 years to catch up on

A brother and sister who were reunited in Newcastle upon Tyne at the weekend each having assumed the other had perished at the hands of the Nazis in 1943, yesterday began to catch up on those 39 intervening years (Our Newcastle Correspondent writes).

Mr Harry Nagelsztajn, aged 56, now a builder and father of four, of Thornbury Close, Gosforth, Newcastle, who believed his sister Manya had been killed by a Gestapo extermination squad in their home town of Hrubieszow, east Poland, said: "I am the happiest man in the world. I feel over the moon. For nearly 40 years I believed I had no family. Now I have a

sister and we have a lot of talking to do."

His sister, now 58, who married Mr Majir Kornblit, her childhood Polish sweetheart, and emigrated to the United States in 1950, said: "Today we can talk. Last night we were too happy to find words to say what we felt. We have discovered that we were almost certainly in Auschwitz at the same time. But men and women were kept apart and Harry was moved to a camp in Austria."

Her son, Mr Michael Kornblit, finally found her brother after she had met a cousin in Israel a few weeks ago who had received a letter from Mr Nagelsztajn in 1946.

MPs attack Owen's plea for contest

By Craig Seton

Fears that the Social Democratic Party was in danger of becoming embroiled in a damaging nine-month contest for the leadership were voiced by several of the party's MPs last night.

They were directing most of their anger at Dr David Owen for letting it be known that he wants a contest for the leadership and saying that he is determined to stand if Mrs Shirley Williams, the party's leader, were to resign.

As some MPs spoke darkly last night of a "stop Roy Jenkins" move being underway in the party, Mr Ian Wrigglesworth, MP for Tees-side, Thornaby, said: "I hope that personal ambition will not be put before the interests of the party."

Mr Jenkins is generally considered to be the favourite to take over the leadership, whichever formula the party decides to adopt for the election, although he will be eligible only if he has been elected to the Commons. Mr Jenkins is preparing to prepare to fight the Glasgow, Hillhead, by-election.

Next month's conference will discuss the two election methods that have been put forward: election solely by Social Democrat MPs or election by party members on a one-member-one-vote principle. The issue will be finally resolved in a ballot of the membership soon after the conference.

The dispute started in the wake of a suggestion last week by Mr William Ronsley that the party should accept Mr Jenkins as leader and Mrs Williams as president, the number two post in the party, without a contest.

Dr Owen became known that Dr Owen proposed a proposal, which led to reports of a power struggle breaking out among the leaders, a suggestion that Dr Owen was reported as denying yesterday.

Mr Rogers maintained yesterday his view that the party would be better served without a contest this year, but that if there was one it would not be damaging. He said: "I still think our members and our millions of supporters would be happier if we could solve this without an election, but there will be no other way."

Mr Wrigglesworth said: "I very much regret that this suggestion is being placed before the leadership. It will resolve the question of who will run among itself."

Dr Owen's view is that the party should have elections, that it would be surprising if it did not, and that as a democratic party the SDP is quite capable of running an election without causing damage or divisiveness.

Liberal and Social Democrat in the South-west have failed again to resolve all their differences over the allocation of parliamentary constituencies in Devon and Cornwall and have asked the parties' conciliation machinery to find a solution at national level (Bray Seton writes).

The two parties met in Plymouth on Saturday, for the third time since December, to decide which should put up a candidate to fight the 15 local seats for the alliance. It had already been decided that the Liberals should produce the candidates for nine and the SDP six.

Afterwards they said that they had reached conditional agreement for all but three seats under the existing boundaries: those of St Ives, Honiton and Plympton. Suttan, all Conservative-held. Negotiators could not agree who had the best chance of success.

Ulster issue brought into Irish election

From Richard Ford, Dublin

The issue of Northern Ireland was brought into the Irish Republic's general election campaign yesterday when Dr Garret FitzGerald contrasted his party's attitude towards devolution and the majority community in the province with that of Fianna Fail.

But the Irish Prime Minister emphasized that the differences were of attitude and not of principle. He said there was agreement between his Fine Gael-Labour Government and Mr Charles Haughey's Opposition on Northern Ireland and the Anglo-Irish talks.

Dr FitzGerald said that he was certain Mr Haughey, who initiated the Anglo-Irish talks, would wish them to continue.

Mr Haughey, who says that Northern Ireland is his top political priority, and the Prime Minister, agree that Ulster is unlikely to play an important role in the campaign, which today enters its first full week. Mr Haughey said that his party had made formal and informal contacts with the Unionists in an attempt to establish trust and confidence, although during the last Fianna Fail government there had been hardly any contact.

Dr FitzGerald said that although the majority community and his Government differed in their objectives, he had had overwhelming support from both communities in the North, who saw the advantages of reducing tension by a better relationship with the Republic.

He added: "Mr Haughey has on several occasions expressed doubts and scepticism about any movement toward devolution in Northern Ireland, even within the context of the Anglo-Irish negotiations which have taken place."

Acid bombs, petrol bombs and bricks were thrown at the police and soldiers by 200 youths in Londonderry last night at the end of a demonstration to mark the tenth anniversary of Bloody Sunday, when 13 people were killed by troops (our Londonderry Correspondent writes). About 3,000 people took part in yesterday's parade.

Mr Kevin Cullen, executive member of Provisional Sinn Féin, told a Sinn Féin rally attended by 1,500 people in Birmingham yesterday that Irish freedom could come only through armed struggle (our Birmingham Correspondent writes).

At the Bloody Sunday rally: "Freedom will come through the M16 (rifle) and the armalite rifle. We shall achieve freedom like Zimbabwe, through the barrel of a gun."

Police in the Irish Republic have found a big terrorist bomb planted to trap British troops on the border with Co Monaghan (the Press Association reports). The explosives, found with detonating wires near Clones, were described as a massive device.

In a linked search nearby, the police discovered an apparent Provisional IRA arms dump, including 50,000 rounds of ammunition, five high-powered rifles, a mortar bomb, detonators, timing equipment and mercury switches.

GLC HAS NO FUNDS FOR MORTGAGES

By a Staff Reporter

The Greater London Council will be unable to issue any mortgages during the financial year, and will drastically reduce its home building programme.

A spokesman said yesterday that this meant fewer than 300 homes would be built instead of a planned 1,500. "The council has run out of money for mortgages, but has never started a financial year unable to give any loans."

The spokesman said the council would also end aid to housing associations, stop the creation of housing action areas and spending on repairs. The reduced housing programme was agreed on Thursday by the housing committee.

TUC SEEK MORE FOR JOBLESS

By Pat Bealy

Social Services Correspondent

Benefit cuts have left the unemployed poorer than at any time in the past 15 years, the TUC says today in launching its Benefit Charter for the Unemployed.

The benefit levels amounted to a "national shame of kicking the unemployed when they were already down."

Mr Alan Fisher, general secretary of the National Union of Public Employees, said:

"The charter calls for immediate restoration of benefit cuts, the extension of long-term supplementary benefits to the unemployed, and for supplementary benefit to be paid immediately to unemployed school-leavers."

Policemen hurt as gangs clash in Bristol

From a Staff Reporter Bristol

Extra police were in the streets in Bristol last night after two nights of clashes between mixed groups of white and black youths. Two petrol bombs were thrown and riot shields were used when two policemen were attacked and injured, one seriously.

Twenty-one youths, 13 black and eight white, were arrested on Friday and Saturday night and 18 face charges, including theft of motor vehicles and assault on the police. Some are to appear in court this morning.

Avon and Somerset police complained yesterday that the incidents were nowhere near as serious as the St Paul's riot in the city two years ago, when 20 policemen were injured and more than £100,000 of damage was caused, although one of the rival gangs this weekend was from that area.

Chief Supt. Malcolm Popplewell, who is in charge of the St Paul's area, said: "These youths are the ones that cause trouble at football matches and that are now causing trouble in the streets."

Discussions were held between police and community leaders yesterday about the clashes. It is understood that the rival gangs this weekend were from that area.

The two policemen were injured in St Nicholas Road, St Paul's, late on Saturday night when they were attacked with petrol bombs by the gangs.

Police Constable Ian Bennett, who was appointed to St Paul's as a community policeman after the 1980 riots, was hit by bricks and was "fairly poorly" injured in St Nicholas Road, St Paul's, late on Saturday night when they were attacked with petrol bombs by the gangs.

Police said the gangs, about 80 strong in all, clashed on both nights in the Lawrence Hill and Barton Hill areas, but ran off into St Paul's, where the two constables were attacked. Police reinforcements were called.

About a hundred policemen had been involved and no officers had been called in from outside forces.

It was not known why the two gangs had fought, but the trouble had started with an altercation on Friday night.

Bethell sues airline over high fares

By Michael Bailey

Transport Correspondent

Lora Bethell is to take his fight against European air fares a stage further this week by suing Sabena, the Belgian airline, for allegedly overcharging him.

As European MP for London, North-west, Lord Bethell flies regularly to Brussels, paying £125 a stage further this week by suing Sabena, the Belgian airline, for allegedly overcharging him.

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Science report

Baby's cry may have guided evolution

By Pearce Wright

Science Editor

Tiny vibrations in the ear smaller than those caused when a pin drops, can be detected by an apparatus developed for ear specialists by scientists working for the Medical Research Council.

The invention, referred to as a clinical tympanometer, is also of great potential importance to industry as safety testing of huge machines, like power station generators, airplane engines and ships' turbines.

The main advance comes in the way found by a team of biomedical engineers and neurophysiologists at the National Institute for Medical Research, Mill Hill, north London, to measure the smallest movements of the drum without touching the body.

Other medical research using lasers has shown that tiny vibrations could be detected by a method using a laser beam to reflect a light beam onto a mirror. The solution has come in the development of micro-electronic components that allow ordinary white light to be used for measuring vibrations.

For the doctor or patient the process is simple. Light is shone into the ear with the sort of clinical otoscope normally used for scrutinising the ear drum.

The instrument is modified in three ways: a miniature noise generator composed of a microelectronic attachment to the top of the otoscope delivers a sound stimulus to the ear drum; light reflected from the ear drum is focused by a lens on a pinhead-size photodiode in the handle of the instrument; and a fibre-optic cable transmits the signal from the photodiode to a micro-computer analyser.

Analyses of the behaviour of the eardrum show that a perfect ear resonates at the frequency of the sound waves, which are about 2,500 cycles.

That is surprising, since it is a higher note than the main component of the voice. The scientists speculate that perhaps the evolution of the ear has allowed for the warning signals, such as a baby's cry, that a mother can detect most readily.

MINISTER STAYS OUT OF DISPUTE

By Our Labour Reporter

Mr John Biffen, Secretary of State for Trade, has refused to become involved in a dispute at the Sunday Times over the executive actions which the newspaper's National Union of Journalists members claim were carried out on the instructions of Mr Rupert Murdoch, the proprietor, rather than of Mr Frank Giles, the editor.

In a letter to the NUJ officers, Mr Biffen says that guarantees on the rights of editors of *The Sunday Times* and *The Times* were written into the articles of association of the company and any dispute relating to those rights should be referred to the newspaper's five independent national directors.

The NUJ members claimed that the guarantees given by the minister by Mr Murdoch when ownership of *The Times* was transferred to News International last February had been breached in a staff dismissal, and a senior demotion and a senior appointment.

Mr Biffen said he did not want to see "newspaper government interference" in the press, but asked the union to provide evidence if it believed other "free-standing" conditions of the transfer of ownership had been breached.

Mr Peter Wilby, father (chairman) of the NUJ chapter (office branch) at the newspaper, said last night that the journalists would seek a meeting with the national directors. The five national directors are Lord Dacre of Glanville, Lord Greene of Harrow Weald, Sir Edward Pickering, Lord Robens of Woldingham and Lord Roll of Ipsden.

Increasing pressure on its membership of the Royal Society for the Prevention of Cruelty to Animals (RSPCA) has led to a decision to allow to be subject to inquiry.

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Lab ch...

Subtle change in Labour Party's case for economic growth, with other socialists.

Confidentially, last night MEPs national executive in London, who has obtained a dilemma.

(Wednesday) that, rather than start talking to ourselves from Rome, we should correct more of the MEPs' share of the cooperation after parties after the technical on the technical.

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Labour leaders begin to change tack on EEC

By George Clark, European Political Correspondent

Subtle changes in the Labour Party's presentation of its case for taking Britain out of the European Economic Community are being prepared to avert the looming crisis in relations with other socialist parties in Europe.

Confidential minutes of the last joint meeting of the Labour MEPs and the party's national executive committee in London, which *The Times* has obtained, reveal the dilemma.

The minutes say: "Mr [Wedgewood] Benn suggested that, rather than talk about 'withdrawal from Europe', an emotive phrase, we should start talking about 'extricating ourselves from the Treaty of Rome', which was factually correct. He thought that MEPs should advise the NEC on relationships and cooperation with fraternal parties after withdrawal, and on the technical problems of extrication."

Mr Alfred Lomas, European MP for London, North-East, said that other members of the socialist group in the European Parliament "had a slightly more exaggerated view of our withdrawal than the rest of their parties".

A big effort will be made to patch up the differences when Mr Michael Foot, the Labour leader, and Mr Eric Heffer, the frontbench spokesman on Europe, visit Brussels on Wednesday and Thursday next week to meet the 123-member socialist group of the European Parliament and, later, representatives of the party organizations in Europe.

Like it or not, the Labour Party has attracted to itself the isolationist, some say nationalistic, slogan: "Let's get out of Europe!"

But Mr Foot and Mr Heffer, now strongly supported by Mr Benn, want to convince their European comrades that their object is really to move out of the

anti-socialist restrictions of the EEC into a wider European Community where there would be freedom to protect the interests of workers more effectively than is possible in a grouping dominated by big business.

The slogan, they say, should be: "We want to move into Europe!"

So far, Labour's public relations exercise has been a failure. The 17 Labour MEPs at Strasbourg are virtually excluded from important decisions taken by the socialist group in Europe, and the threat of British withdrawal also brushes off on to the Conservatives. Once again Britain is seen as a reluctant and ever-complaining partner.

One Labour MEP said yesterday of the British group's relations with their European socialist colleagues: "On a personal level we are friendly, but they show great hostility to our policy of leaving out. We are often treated like mutineers."

"British Labour backbenchers hardly ever get selected as socialist spokesmen. Our only chance to speak at the plenary sessions is if we can get called on what is termed 'explanation of a vote', and even then we are limited to 90 seconds."

When the socialist group drafted a statement on Poland the British Labour MEPs were not given a chance to help in its composition. A British group which signed a motion on nuclear disarmament was cold-shouldered.

The minutes say: "Mrs Castle asked that details of why and how we are going to elect the EEC be ready for Mr Foot when he visits Brussels in February. She felt that because our strategy had not been planned we were not winning the argument for withdrawal either on the doorsteps or in the social group."

Mr Heffer, appointed to his job shortly before the meeting, agreed there was much

opposition to Labour's policy and misunderstanding about it among European socialists. He said it was "important to explain the policy carefully, remembering that all parties are arguing from a basis of national interest, and stressing that we are not anti-European."

Mr Benn intervened again to emphasise "that Britain's position within the EEC was different from that of other EEC countries."

"With the exception of the Irish, we are the only people who have never lived under fascism and although membership is a diminution of democracy for us, for other countries it is an extension of democracy. We in Britain have a different attitude towards the law. In Germany and France, legal matters are political..."

Mr Gordon Adam, MEP for Northumbria, is recorded as making a dry comment: "It is not so easy to separate political will and legal issues." The minute adds: "His constituents were more interested in practicalities, such as what would happen to the sheepmeat regime."

The minutes conclude with Mr Benn's stating that the presentation of the strategy must be extended, "but the question of membership of the Community should not be reopened."

Whether the party should fight the next election to the European Parliament in 1984 "was left on the table"; the question would be returned to "if and when it is thought necessary to do so."

Like the argument about the referendum, the question of fighting the European election in 1984 depends on the decision is not to fight, there is no doubt that the Social Democratic Party will seek to fill the gap; it has already made tentative approaches to socialists in Europe. Much depends on how socialist the SDP policy proves to be when it is settled later this year.



Three men, a mountain and a mystery

Three famous faces of Everest were in London yesterday. Reinhold Messner (left) from the South Tyrol, who climbed the mountain alone in 1980, Professor Noel Odell (right), aged 91, the last man to see Mallory and Irvine alive in 1924, and Captain John Noel (centre), aged 91, photographer on the 1922 and 1924 expeditions, met to talk about their old adversary (Ronald Faux writes).

Reinhold Messner twice climbed Everest without using artificial oxygen, sustained by the historical fact that Noel Odell had spent many days at high altitudes on the mountain in his tweeds and clinker-nailed boots supporting the early British attempts.

Messner said: "Quite eminent doctors told me that my brain would be damaged by climbing at these altitudes, but when I see Professor Odell I do not worry any more. He is in splendid health." The professor agreed: "Those expeditions never did me any harm. I seemed to thrive on them. Mind you, I did play a lot of rugby football after them."

The mystery of whether Mallory and Irvine reached the summit came perhaps a small step closer to solution. According to Messner, the

question revolves around whether Odell saw them on the first or second "step" that outcrops from the North Ridge. Professor Odell saw the two climbers through breaks in the cloud on the step and outlined against the sky. Messner argued that could only have been on the first step, since the route up the second was hidden from view in a difficult corner. The sighting was at noon, which left too little time for Mallory and Irvine to climb the second step and reach the summit before dark.

The balance of probability was that they died after abandoning their attempt.

Long checkout queues at the supermarket were the latest cause of complaint, followed by poor standards of service. Shoppers grumbled about cheeky, condescending and generally unhelpful shop assistants.

A third of those in the survey thought prices for necessities were unreasonable, and one in ten claimed to have been obliged to cut down on spending on food.

Though a high proportion of people felt they had bought unsatisfactory goods, only 3 per cent said they felt they needed more information or advice on shopping or their rights. Even of those who did feel they needed advice, only half had obtained it.

Butter sales fall by fifth in two years

By Our Agriculture Correspondent

Average weekly consumption of butter in Britain has fallen by a fifth in the last two years, a survey published today shows.

The figures, for the third quarter of last year, predate the recent controversial newspaper advertising campaign which may have succeeded in halting or reversing the growing preference for margarine. But they are bound to cause further gloom in the dairy industry, which is faced with declining markets for both liquid milk and butter at a time of ever increasing EEC surpluses.

Sales seem certain to fall still further if the latest farm price proposal by the European Commission are implemented. The proposed increases would mean a rise

in butter prices of about 8p a pound, it is estimated.

Moreover, there is growing opposition among EEC governments to the special British subsidy paid to British butter consumers, at present worth about 13p a pound. Mr Bjorn Westh, the Danish Agriculture Minister, said yesterday in Copenhagen that his government was anxious to see it phased out.

The subsidy was originally imposed to help to dispose of the so-called butter mountain, and reflected Britain's importance as the Community's main import market.

Officially the mountain no longer exists, although there were dark hints from Mr Poul Dalsager, the EEC Agriculture Commissioner, in Berlin recently about what

might happen if the United States was forced to dispose of its dairy surpluses on world markets.

Consumption of eggs, sugar, beef, potatoes, white bread and coffee was also lower in the third quarter of 1981 than the average for 1979. But people were eating more cheese, lamb, pork, green vegetables, fresh fruit and brown bread.

Checkout queues at the supermarket were the latest cause of complaint, followed by poor standards of service. Shoppers grumbled about cheeky, condescending and generally unhelpful shop assistants.

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County may petition against new bridge

From Arthur Osman, Shrewsbury

Proposal in a Bill which Shropshire and Atcham District Council is to introduce in the present parliamentary session for a new road bridge over the River Severn at Shrewsbury and a multi-storey car park were described yesterday as "seriously damaging" for the historic town.

Shropshire County Council is expected to oppose the Bill at a special meeting on Friday so that it can lodge a petition against it on Saturday, the last day it can do so.

Both councils agree that a new multi-storey car park is needed but county councillors have been advised in a summary of the issues involved that in addition to it being a costly solution "it will arguably be seriously damaging both directly and indirectly to the historic bi-modal qualities of the nationally important conservation area."

The Bill proposes a bridge and road to enable the car park to be built within the loop of the river by the English bridge. The county was not consulted before the Bill was drafted.

Some years ago the county supported an abortive scheme which included a footbridge over the river. It said a road bridge would inevitably provide a dangerous conflict with traffic for children using Wakeman comprehensive school, alongside which the new main road would run.

The school would also lose some of its land and its play area would be below the statutory minimum.

"In environmental and tourism terms the Bill could lead to schemes which will have a significant impact on the skyline and river frontage. This is currently being made more intensively residential in character."

"The cost of bridging the river will make inevitable the maximum commercial parking use of land on the town centre side of the river, then accessible by way of the bridge."

"This will have the effect of making irrevocable changes which are hardly likely to improve the environmental qualities of the area — one river frontage has been radically altered on the Smithfield side of the town centre, seriously eroding the aesthetic quality of that side of the town. To do the same to this side could be argued to be highly undesirable."

The county structure plan favoured as a priority a multi-storey car park in the area but last year the council considered parking should be improved as quickly as possible by a joint venture involving public and private interests.

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Nurses want strict control of pay beds

By Annabel Ferriman, Health Services Correspondent

Tighter control over the growth of private health care has been demanded by the Royal College of Nursing and in an editorial in *The Lancet* as the number of new private beds planned reaches 2,000.

Thirty-five proposed private hospitals are awaiting planning permission. If built they will bring the total number of private beds in England and Wales to 34,000 compared to 455,000 in the National Health Service.

For private hospitals with fewer than 120 beds development permission does not have to be obtained from the Department of Health and Social Security, but the department has to be notified.

The Lancet this week demands a public inquiry into the plan to build a 100-bed private hospital in Southampton opposite Southampton General Hospital, which has been approved by the city's planning committee.

It predicts that the plan will result in competition between the two hospitals for scarce resources of manpower and specialist services, and criticizes the fact that for new private hospitals of fewer than 120 beds the planning authority is required to make its decision solely on planning grounds.

"Even if the health authorities declare that the proposal would be to the detriment of the work of the health service, that opinion, apparently, can have no weight with the planning body. This unsatisfactory situation should be changed." If the planning committee's decision cannot be instantly reversed then it should at least be subject to a public inquiry.

Increasing pressure from its membership has persuaded the Royal College of Nursing to revise its views on private medicine, which it used to believe should be allowed to expand according to market forces.

It has now become concerned that, with the accelerated growth of the private sector in the wake of government encouragement and recruitment campaigns by the medical insurance companies, the provision of health care might become polarized.

"Medical insurance is on the whole available only to those in employment; the

unemployed, the elderly, the young, and the chronic sick are unlikely to be able to afford access to private treatment. Consequently the underprivileged will be further penalized," the college's policy document says.

The College, which has 192,000 members, calls for much closer monitoring of the increase in the number of private beds.

Its proposals include the reestablishment of the health service board, the body set up in the mid-1970s to oversee the phasing out of pay beds abolished in 1980 by the present government.

Hospital regions to cost over £30m

More than £30m will have to be spent over the next few years correcting building defects in 12 hospital developments built since 1971.

Three of the hospitals account for two thirds of the cost: The Royal Hospital for Sick Children, Glasgow (£7.25m); the University Hospital of Wales, Cardiff (£7.7m); and the Hospital for Sick Children, London, (£7.5m). Details of the defects and of the costly repairs that will be needed are contained in the latest report to Parliament of the Comptroller and Auditor General.

The Committee of Public Accounts, which investigated the Glasgow case, was told by the Department of Health and Social Security that there were no comparable cases in England and Wales. Since then the defects at the hospital in Cardiff and London have come to light.

The Government considers that most of the faults at the hospitals are not unique to hospital building but reflect the general experience with buildings designed and erected in the 1950s and 1960s.

It requires health authorities to prepare the detailed design briefs for new hospitals, to appoint consultants of experienced and financially sound contractors, to provide detailed drawings and specifications to the contractors, and to ensure that consultant architects supervise closely the contractors' performance.

Gas search starts off Blackpool

From John Charters, Blackpool

British Gas offshore explorers have started to drill the first of a new series of boreholes in the Morecambe Bay area of the Irish sea, only a few miles from their recently proven gasfield which is expected to deliver 1,800 million cubic feet per day by 1986.

Considerable interest in the £35,000 a day operation is being taken by civic leaders and others concerned with the job hungry and economically deprived north-west region — particularly by those clamouring for more opportunities in the Mersey area.

The new £25m Singapore-built drilling rig Apollo II is positioned off the shore of Blackpool Tower with its barge already more than 2,000 feet into the seabed and a fairly confident expectation by the experts aboard, of gas being found in the next few days.

British Gas executives who have been taking parties of journalists to see the rig are retaining the customary caution over making firm predictions, nevertheless they frequently refer to their successful past record in following up predictions made by their geologists and seismologists. British Gas offshore explorers claim a success rate of of about one in four for their boreholes compared with a worldwide gas and oil rate of one in 14.

Even if the presence of gas is proved shortly, from number one well in number seven square of block 110 in the Irish Sea, it may be many weeks, or even years before a decision can be made on whether the Morecambe Bay field is worth exploiting commercially.

The drilling off Blackpool is the first part of a programme by British Gas involving the exploration of the west coast of England during the first half of this year and later others in licensed areas in the English channel and the North Sea.

Although the job prospects from offshore gas projects are relatively tiny in relation to the needs of such areas as Merseyside, west Cumbria and the industrial northwest interest is being taken because of the ripple effect for small companies able to provide technical and supply services.

Dr Derek Ratcliffe chief

Respected conservationists may be making the task of birds' egg collectors and nest robbers simpler by their readiness to publish information about breeding and nesting grounds.

Despite increasing efforts to enforce secrecy, details given in many newly published wildlife books continue to direct human predators towards the nests of protected birds.

Examples include the golden eagle, peregrine falcon, greenback, dotted and though, all of which have been considered sufficiently threatened to be placed on Schedule 1 of the new Wildlife and Countryside Act.

Under Section 1 of the act penalties are imposed even for disturbing birds while they are nest-building.

But concern about publication of sensitive sites extends to other forms of animal and plant life protected by law. The dilemma, successful conservation versus public interest, and the right to know, is at its acutest over birds because of the sharp rise in popularity of ornithology as a hobby.

The Royal Society for the Protection of Birds, for instance, has 450,000 members.

Examples cited by critics range from cheaper books to works of reference which, the RSPB acknowledges, however inadvertently the information is given, form an important weapon in the egg collector's armoury.

Dr Derek Ratcliffe chief

scientist at the Nature Conservancy Council, in a work published in 1980 speaks of the popularity of Lake District sites with the peregrine falcon and adds: "One day has up to four pairs nesting within its catchment."

He also describes a headland in the only coastal nesting station in the North-west, and in the South-west, where peregrine populations have recovered considerably in the last decade, they are said to have spread down the Cornish Atlantic coast from the Devon border and to have reoccupied coastal haunts in Somerset, several of which have been named previously.

A book about greenbacks by one of Britain's best known and most respected ornithologists, includes a list of breeding grounds, listing individual lochs, glens,

moors and mountains in Scotland.

Specialist maps point to inland and coastal sites for little and roseate terns, both schedule 1 species. They were apparently based on data supplied by a senior RSPB official before he joined the society.

A review by the Nature Conservancy Council goes further, listing 735 sites of scientific interest where protected species can be found, and also supplying Ordnance Survey grid references. Although the locations of the very rarest birds and plants are not disclosed, map references are nevertheless given for sites, often only a few score acres in size, where schedule 1 species such as Savi's warbler, choughs, bitterns and marsh and Montagu's harrier can be found.

Tables in the review show that a "substantial proportion, probably approaching 50 per cent" of the total populations of honey buzzards, marsh harriers, black-necked grebe, bittern, garganey and dotterel are on the sites listed. Total populations of the first two species is put at fewer than nine pairs and of the others fewer than 99 pairs.

Some published references may appear, to the layman, to be sufficiently imprecise. But conservationists acknowledge that many collectors have a command of fieldcraft and their recognition and tracking of birds far exceeds that of ordinary ornithologists.

Collectors are said to have swum naked across lochs clutching eggs in their mouths, scaled precipitous crags with ropes and climbing irons and used fireworks to flush out cliff-nesting species like choughs. One method of locating a nightjar's eggs is for two men to drag a rope across a heath to startle the bird into the air.

The RSPB is also seriously concerned by what it describes as a frightening increase in the number of collectors. The society knows of some 900 active collectors but believes there are many more. Last year more than 1,000 incidents were reported to its small investigations unit but successful prosecutions remain difficult and relatively few.

The potential for disturbance is also being increased by the expanding armies of "tickers" and "twitters",

birdwatchers with checklists and a mania for rarities.

The dilemma of how much information to disclose dates back at least twenty years to the Loch Garten ospreys, robbed despite an RSPB guard after initial publicity, but shows every sign of becoming a precedent to resolve. The RSPB has itself been criticized, notably over advertisements from guest houses in its magazine, *Birds*, extolling the delights of red kite or golden eagle country and giving addresses.

The society says it checks them carefully and also tries to screen other forthcoming publications. Recently, it says, it stopped the Scottish Tourist Board bringing out a detailed viewing map for rare birds. Checking for series like the *British Birds* reports is done by the Rare Breeding Birds Panel.

One persistent critic of the RSPB on this issue is Mr Eric Hardy, the well-known North Country naturalist and writer, who resigned from the society because, he says, it numbered too many collectors among its members.

Mr Hardy, who has received criticism for disclosing sites in newspaper columns, argues that prospective members should be asked to state that they are not collectors and believes that double standards operate, for the "privileged" and the general public. Agreements on non-disclosure should apply to books and scientific journals as well as newspapers, he says.

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Some published references may appear, to the layman, to be sufficiently imprecise. But conservationists acknowledge that many collectors have a command of fieldcraft and their recognition and tracking of birds far exceeds that of ordinary ornithologists.

Collectors are said to have swum naked across lochs clutching eggs in their mouths, scaled precipitous crags with ropes and climbing irons and used fireworks to flush out cliff-nesting species like choughs. One method of locating a nightjar's eggs is for two men to drag a rope across a heath to startle the bird into the air.

The RSPB is also seriously concerned by what it describes as a frightening increase in the number of collectors. The society knows of some 900 active collectors but believes there are many more. Last year more than 1,000 incidents were reported to its small investigations unit but successful prosecutions remain difficult and relatively few.

The potential for disturbance is also being increased by the expanding armies of "tickers" and "twitters",

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Poland: Culture in crisis

Artistic community plans subversion by stealth

From Roger Boyes, Warsaw, Jan 31

Other people may reach for their guns when the word "culture" is mentioned, but Poland's Military Council is still deliberating on whether a hammer or a feather duster is the more appropriate instrument for dealing with the country's unruly actors, writers and artists.

Should it allow Poland's cultural establishment to retain its traditional independence — even if that means putting up with politically critical work? Or should it crack down now before matters get out of hand?

The results of this vacillation is a corresponding uncertainty among the artistic community — the first instinctive response, of course, was to condemn martial law out of hand: the latest critical petition was signed by 120 writers and artists, including Andrzej Wajda, the film director responsible for such films as *Man of Marble* and *Man of Iron*, which describe the roots of popular protest in postwar Poland.

Dozens of actors claim to have been in their party cards and there is an informal boycott of television appearances.

But as the weeks of martial law become months, so the cultural establishment is realising that a less forthright approach might be in order: subversion by artistic stealth.

If anything, this view was reinforced by the recent speech of General Wojciech Jaruzelski, head of the Military Council, whose position on cultural affairs emphasized the need to bring art closer to the people. That may be disturbing news for abstract painters, but figurative painters, film directors and writers should be able to cope with the new socialist phrasing to their own ends.

Nobody seriously believes that the general hopes to usher in a new era of Socialist Realism, the style of art that traditionally portrays

earnest tractor drivers starting merrily at the socialist dawn.

The uncertainty remains, however, and the most vulnerable are the performing arts. Actors and directors in the theatre and the cinema were the most heavily politicized over the past two years — most of them were in Solidarity, the independent union, or at least were sympathizers.

Actors — and Mr Wajda — are the ones who have been attending the summary trials of Solidarity activists. Actors have been ostentatiously helping the church relief operation for those interned. Critics say that a certain "interimist" chic has sprung up, and at least one film technician of my acquaintance has expressed a sense of regret that he was not arrested with his friends in the movement.

Yet the director of the now widely held belief that intellectuals are being held in reasonable conditions. Actors have also been staging an informal boycott of television appearances.

The people who have to carry the bulk of political responsibility are the theatre directors. They have to ensure that the radicalism of the actors and actresses does not spill over into dangerous areas. Under martial law, the censor has to read and approve new plays, and then views the last dress rehearsal before giving the final go-ahead.

Although the censor existed before martial law, he has been treated as something of a joke. It was very lax supervision at best, and a few stylistic tricks sufficed to ensure that the last rehearsal was acceptable.

Now the directors can take few risks. One offensive or politically ambiguous remark in a play could spell the end of the production before it even begins. Thus the director of Mr Wajda's play *Polish* about political freedom had

to play it as a farce rather than as a satire to get it past the authorities. It is up to the audience to grasp the real unstated message.

Even so, nine plays have been withdrawn (perhaps only temporarily) from the Warsaw repertoire.

Some films have also been put on ice. It is understood for example that a planned film starring Krystyna Janda (the heroine of Wajda's films) tentatively called *The Interrogation* has been suspended.

The key to artistic resistance to martial law restrictions is Wajda, probably the Polish artist with the widest international following and respect. Wajda knows that his community has great expectations of him, and that has made him all the more reluctant to sign petitions or campaign vociferously against internment.

He sees himself first and foremost as a filmmaker who has, admittedly, dealt with politically sensitive subjects in the past. If he were to become an active political campaigner, perhaps not much would be gained but his film-making would lose. He wants to carry on living and working in Poland; that at any rate is what one of his friends has to say. Wajda himself has been reluctant to speak to Westerners in Poland.

Without a central figure to rally around, the artistic community will no doubt get on with doing what they can within the limits of the system and hope for a relaxation. Certainly some musicians and dancers are being allowed to travel to the West. This is greeted with relief, for passport controls are currently extremely strict and defections are a real possibility.

But the most enduring question is how the Military Council and the party will shift the overall policy towards the cultural establishment.



Food price increases in Poland

Farmers in France on offensive

From Jonathan Fenby, Paris, Jan 31

French farmers, always quick to leap to their own defence, are fighting on four fronts to ensure that their earnings in 1982 do not fall victim to the British Government, Italian wine producers, Spanish vegetable growers or the European Commission.

After six months in which cheap Italian wine imports were the most explosive subject on the French agricultural scene, Britain has taken over in the past week as the main bugbear of the country's 700,000 farmers.

The failure of the European Community nations to agree an agricultural budget is blamed squarely on what the French young farmers' organisation called "Britain's exorbitant pretensions". The 9 per cent increase in farm food prices proposed by the EEC Commission last week came in for an equally harsh reception, being described variously as scandalous and stupefying.

At Paris, Guillaume, the president of the main farmers' federation, is due to see President Mitterrand on Tuesday to put his members' case for a 16 per cent increase in revenue this year.

Wine-growers on the Mediterranean coast in the south-west were out in force at the end of last week. Their target was Italian wine imports, which sell at prices that French growers cannot match, and which have been resumed, after a lull in the autumn.

After a rally of 1,500 growers in Béziers on Friday, Agriculture Ministry officials agreed to block imports of Italian wine until their prices rose to French levels.

The wine-growers have been joined in their militancy by fruit and vegetable producers in the south-west who are worried about cheap Spanish imports.

Israel accepts Sinai peacekeeping force

From Moshe Brilliant, Tel Aviv, Jan 31

The Israeli Cabinet today finally approved the participation of British, French, Holland and Italy in the multinational force to police Sinai after the Israelis complete their withdrawal in April.

The force of 2,500 from 11 countries would also include Australian and New Zealand troops. The Americans, who undertook to organize the force when the United Nations refused, will provide half the troops. Norway will supply the commander. Other participants will be Colombia, Uruguay and Fiji.

The Israelis had opposed the involvement of the four European countries after their governments last year coupled the announcement of their participation with statements of support for the EEC's Venice Declaration, which supports a separate Palestinian state.

The Israelis were particularly upset by Lord Carrington, the British Foreign Secretary, implying Britain was joining to make sure Arab lands were returned to the Arabs.

The Americans tried to soften the impact by issuing a joint statement with the Israelis affirming that the Egyptian-Israeli peace treaty was the sole basis for the force. The Israelis demanded the Europeans endorse it. Replies reached Jerusalem in January but Mr Menachem Begin, the Israeli Prime Minister, was not satisfied.

Mr Alexander Haig, the American Secretary of State, obtained further clarification from the Europeans and the Israelis said they were now satisfied.

The Cabinet also discussed the weekend capture of three Al-Fatah terrorists from Jordan. Two other infiltrators were killed in the incident, which was followed by a dramatic Saturday night press conference.

Beirut: Syria was reported here to have proposed a three-point peace plan for the Middle East that calls for an end of the state of war with Israel (AP reports).

The plan was set down by Mr Ahmed Iskandar, the Syrian Minister of Information, in an interview with the Lebanese weekly magazine *Monday Morning*.

Syrian arrests: Syrian authorities have rounded up about 500 dissidents and executed 30 to 50 officers alleged to have been involved in a plot to overthrow the Government of President Hafez Assad, Western Intelligence and Arab sources said.

Protesters clash in Frankfurt

The Citizens' Action Group said that more than 100 demonstrators were hurt on Saturday and between 12 and 15 had to be treated in hospital. All but one of 90 demonstrators who were detained yesterday have since been released, police said.

Police said about 8,000 people took part in the demonstration on Saturday, but the Citizens' Action Group put the figure at nearer 20,000.

Herr Spahn said today that the group would not be calling any new protests in the near future, but would intensify political efforts to have the project scrapped.

Frankfurt, Jan 31 — Police used water cannon and batons today to break up a crowd of some 1,000 protesters, on the second successive day of clashes over a planned extension of Frankfurt airport.

The demonstrators opposing the construction of a third runway gathered in the village of Waldorf near by.

Herr Leo Spahn, a spokesman for the Citizens' Action Group, which is coordinating the protest, said 11 demonstrators were injured and five had to be treated in hospital.

Police said that yesterday 104 of their men were injured, six seriously, in clashes on woodland adjoining the airport, and later in the centre of Frankfurt.

Opponents of the new runway say that it will mean the destruction of up to three million trees, and that extra traffic will make noise from the airport unbearable.

The action group, which had appealed for a peaceful protest, distanced itself from yesterday's violence when petrol bombs, branches and stones were hurled at the police.

Herr Spahn said it was possible that organized groups had come along determined to use violence. "The Citizens' Action Group has no influence over these people," he said.

He also said that the group and private individuals had taken photographs yesterday which, he alleged, showed policemen disguised as demonstrators attacking uniformed policemen. The same people were later seen arresting demonstrators, he said. A police spokesman denied the charge. — Reuters.

SAUDIS KEEN TO BUY MORE ARMS

Riyadh, Jan 31 — Saudi Arabia is buying naval weapons from France and is in the market for advanced military hardware "from friendly industrialized nations", Prince Sultan bin Abdul Aziz, the Saudi Defence Minister, said today.

M. Charles Hernu, the French Defence Minister, signed an agreement today to enlarge and set up training facilities for the Saudi navy, the official Saudi Press Agency reported.

France already has a 14,500-ton frigate (about 11,700 tons) on contract to equip the Saudi navy with missile-firing frigates, supply ships, coastal defence installations and helicopters for naval warfare.

Saudi Arabia has a navy of 2,200 men to guard more than 2,250 miles of coast on the Red Sea and the Gulf, according to the International Institute for Strategic Studies. — AP and Reuters.

Mr Bani-Sadr, now in exile in France, confirmed that an attempt was made to recruit him as a consultant to an American firm, Carver Associates of Philadelphia, but he declined what he recalled as an offer of \$5,000 (\$2,600 a month, the newspaper said). The documents put the figure at \$1,000 a month.

The disclosure of the discussions with Mr Bani-Sadr was published a day after the *Boston Globe*, citing the same set of documents, said that an American diplomat, only four days before the takeover of the United States Embassy, had relayed pleas from a friendly Iranian official to get the Shah out of the United States.

In Sunday editions, the *Boston Globe* quoted a September, 1979, warning to Washington from Mr William Sullivan, Ambassador in Iran, that the Shah's crackdown on corruption at that time could

cost the embassy sources within the ruling family.

The recruiter was identified in the *Washington Post* account as Mr Vernon Cassin, now retired from the CIA, who was known to Carver Associates as Guy Rutherford. Mr Cassin was said to be using the name of William Foster in Tehran in 1979. Carver Associates, a consulting firm, was providing cover for Mr Cassin, the *Washington Post* said.

A report cabled to CIA headquarters by Mr Thomas Ahern, in charge of the Tehran station, after the first approach to Mr Bani-Sadr in August, 1979, said: "There may be an opening to obtain subject's cooperation."

Mr Cassin, who met Mr Bani-Sadr in Paris in January, 1979, had three meetings with him in August and September, 1979, and did not seem to have elicited much that was not available in the press at the time, the newspaper said.

Mr Cassin had suggested that an attempt be made to stay in touch with Mr Bani-Sadr after he dropped the project, either through an associate from Carver Associates or someone from the embassy. Mr Bani-Sadr is said to have told friends he thought Mr Cassin was "just an American businessman rather clumsily attempting to

commentary in Persian accompanying the documents says the students who seized the embassy learned that Mr Bani-Sadr accepted the CIA offer but never got any money because the embassy takeover ended contact with him, the *Post* said. That assertion was not supported by the documents, the newspaper added.

Ayotollah Khomeini ordered the students to keep their documents and commentary secret until last year, when Mr Bani-Sadr's opponents used them. They were published and Mr Bani-Sadr was forced to flee the country.

The *Globe* said American officials from 1966 on worried about financial corruption among the Shah's relatives and his penchant for inappropriate heavy arms. The story quoted from a 1976 CIA report that there were "an assortment of licentious and financially corrupt relatives" of the Shah.

The *Globe* also reported that Mr Parsa Kiai, chief of the American desk at the Iranian Foreign Ministry, pleaded with embassy officials to oust the Shah from the United States, where he had gone for medical treatment.

NEWS IN SUMMARY

Prisoners 'volunteer' for Golan

Tehran — Iran has decided to form a battalion of volunteers from Iraqi prisoners of war to oppose Israel, Tehran radio said.

The Khomenei quoted Ayatollah on the Supreme Defence Council as saying that the force would be known as the Golan Battalion. The Golan Heights in Syria were annexed by Israel in December.

"There have been a lot of requests from Iraqi prisoners of war. They want to be given the chance to make up for their past mistakes and fight blasphemy," the representative said. "We decided tonight to allow the joint staff command to form a battalion of the Iraqi volunteers and have the battalion prepared for dispatch to the border with Israel."

Mafia suspect held in Rome

Rome — Signor Enzo Coppola, who is 33 and alleged to be a Mafia leader, was arrested while undergoing treatment in a clinic here police said.

They also said that Signor Coppola was likely to face charges of drug and arms trafficking in connection with a booming trade in heroin between Sicily and the United States. On medical advice, he was not taken to prison but placed under police guard at the clinic.

Film award for Dudley Moore

Los Angeles — Dudley Moore, who was voted best comedy actor for his role in *Arthur*, at Golden Globe awards here. Sir John Gielgud was the best supporting actor award and the film also took the awards for best comedy and best song.

Meryl Streep won the best dramatic actress award for her role in *The French Lieutenant's Women*, and Bernadette Peters was chosen best comedy actress for her performance in *Pennies From Heaven*.

American move out

Bangkok. — About 20 women and children, who are American dependents, have been evacuated from the northern city of Chiang Mai after Thai forces clashed with an opium warlord in the so-called golden triangle, a United States consular spokesman said.

Two die in blast

Beirut. — Two Palestinians were killed when a car bomb exploded today in the southern Lebanese town of Sidon, security sources said. Another Palestinian in the car was seriously injured.

Body identified

Cambridge. — Mr Stephen May has officially identified one of two bodies found near here as that of his wife, Jeannette, justice officials said. Dental records from London, confirmed the identification.

Rebels killed

Manila. — Thirteen Communist rebels have been killed in a battle with government security forces in Zamboanga del Norte province.

Film highlights US protest

By Our Foreign Staff

A weekend of international protest at the military takeover in Poland culminated last night in a television extravaganza featuring Western political leaders and entertainment personalities.

President Reagan, Mrs Thatcher, Herr Helmut Schmidt, the West German Chancellor, Mitterrand and Mr Zenko Suzuki, the Japanese Prime Minister, took part in the 90 minute recording which was transmitted from the United States by satellite to 50 countries.

Called *Let Poland be Poland*, it drew a barrage of invective from its two targets, the authorities in Warsaw and Moscow. Tass said it was "a cheap show in the best Hollywood tradition", while Polish newspapers called it "a tragicomic farce".

Britain did not show the programme and only four Western countries, Australia, Norway, Luxembourg and Belgium, contracted to do so live.

Frank Sinatra, Bob Hope, Charlton Heston, Errol Flynn, Kirk Douglas, Glenda



The Pope speaking yesterday on Poland.

Jackson, Joanne Woodward and the Swedish singing group Abba, took part with the political leaders. Abba is popular in the Soviet Union and the trade union newspaper *Trud* said it was saddened to see that the group was "under the orders of Reagan, Thatcher and certain Nato governments".

In a brief, taped message for the programme, Mrs Thatcher said that the flame

of freedom in Poland would not be extinguished by the imposition of martial law. "In Poland today the flame of freedom may seem to burn less brightly," she said.

"But it has not been extinguished, nor can it be. Sooner or later the oppressors will understand that they cannot impose their will upon men and women who ask only that Poland may truly represent the indomitable spirit of the Polish people."

In Rome, yesterday the Pope supported the Polish bishops in their recent call for an end to martial law and said that civil rights had to be defended in every walk of life.

Speaking to pilgrims gathered in St Peter's Square for the Sunday blessing, he thanked everyone who took part on Saturday in demonstrations against the suspension by the Polish martial law authorities of the independent trade union Solidarity.

In Britain, Mr Len Murray, the TUC leader, called for the immediate release of all trade unionists detained in Poland.

It is a paradox of the political power game in Washington that, just when Mr Alexander Haig, the Secretary of State, finally seemed to have consolidated his position as America's foreign policy leader, his standing within the Administration is again beginning to look vulnerable.

Until a week or so ago the conventional wisdom in Washington was that Mr Haig, after months of skirmishing with his rivals in the White House and elsewhere in the Administration, was at last secure. "The Vicar (as Mr Haig is known in the State Department) had finally made it to the altar", one official commented.

His arch-opponent, Mr Richard Allen, had been unceremoniously ousted from his post as National Security Adviser, and replaced by Mr William Clark, who was Mr Haig's former deputy. He was one of the few members of President Reagan's "California Set" to like and respect the volatile Secretary of State, and even dissuaded Mr Haig from resigning on at least one occasion.

Mr Allen's departure also coincided with the apparent decline in influence of Mr Edwin Meese, the President's Counsellor, who harboured ambitions to have a controlling influence over the conduct of American foreign policy.

At the same time Mr Haig had strengthened his position in the State Department by promoting two trusted career diplomats to top positions.

Mr Walter Stoessel, three times an ambassador and a foreign service officer for 40 years, is expected to become Deputy Secretary of State, a

post which has never been held by a career diplomat before. Mr Lawrence Eagleburger, who served in Europe while Mr Haig was Nato Commander, is to take over Mr Stoessel's old job.

Mr Haig also scored a number of foreign policy successes, such as persuading the President to agree to talks on reducing medium-range missiles in Europe, and not allowing Taiwan to jeopardise United States relations with China.

However, there has recently been a deluge of conservative attacks on Mr Haig, and in particular on the Administration's policy towards the Polish crisis. Mr Haig is being accused of being too soft and too pragmatic in his response to the Soviet Union, and of paying too much heed to the concerns of the United States' European allies.

Even Liberal newspapers, such as the *New York Times* and the *Washington Post*, normally among his most staunch supporters, have carried articles suggesting that he is becoming politically and ideologically isolated from the rest of the Administration.

Mr Haig's growing band of right-wing critics have found an important (if somewhat surprising) ally in Dr Henry Kissinger, Mr Haig's former boss and political mentor. He wrote two articles in the *New York Times* (published also in *The Times*) earlier this month strongly attacking the Administration's handling of the Polish crisis.

The criticisms being levelled at Mr Haig are personal, political and ideological. His bluff, somewhat abrasive, style often causes

News Analysis

Haig under fire from the right

From Nicholson Ashford, Washington, Jan 31

offence, as does his barely disguised ambition to run for President one day, despite his almost total lack of a political base.

Furthermore, Mr Haig's opponents can point to a number of areas where they believe American policy to be wanting. The Soviet Union has effectively intervened in Poland, and has not been deterred by American sanctions. Yet, despite Mr Haig's determination to preserve Western unity over Poland, the Nato alliance is more strained.

In Central America, the critics say, Cuban-backed guerrillas are continuing to make headway because the Administration's bark has not been accompanied by any bite.

Significantly, what was regarded as one of Mr Haig's new sources of strength and influence — the transfer of Mr Clark to run an upgraded National Security Council — is now being seen as his potential Achilles heel.

Mr Clark knows little about foreign policy, but he has the same political and ideological beliefs as the President, of whom he is an old friend and associate. It is now being suggested that Mr Clark, while not deliberately trying to undermine Mr Haig, will encourage the President to follow his own right-wing instincts in his future dealings with the Soviet Union over Poland.

The decision to reduce to one day Mr Haig's meeting with Mr Andrei Gromyko, the Soviet Foreign Minister, last week, and not to set a date for beginning strategic arms talks, is understood to have been inspired by Mr Clark.

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Prisoners 'volunteer' for Golan

Tehran — Iran has decided to form a battalion of volunteers from Iranian prisoners of war to fight in the Golan Heights. The decision was announced on the radio and in the press. The volunteers would be sent to the Golan Heights to fight against Israel.

Mafia suspect held in Rome

Rome — A man suspected of being a Mafia boss has been arrested in Rome. He is being held in custody.

Film award to Dudley Moore

Dudley Moore has won a film award for his performance in a recent movie.

Americans move to die in blast

A group of Americans have moved to a new location after a blast occurred in their previous location.

Is identified

A person has been identified as the individual involved in a recent incident.

ets killed

Several birds were killed in a recent incident.

i-Sadr

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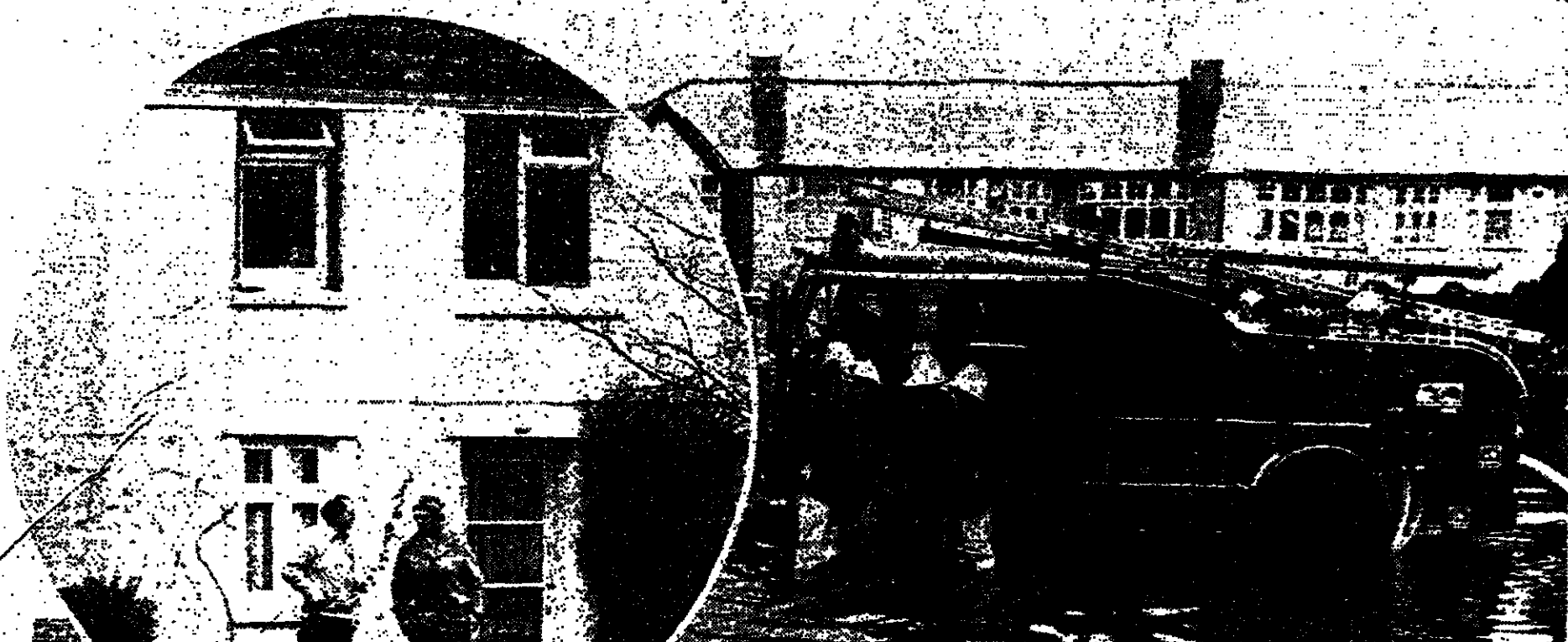
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i-Sadr

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On the morning of January 11th 1978, you might have been forgiven for mistaking the streets of Sheerness for Amsterdam or Venice.

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On January 12th, with the storm damage barely a day old, we set up an emergency claims centre in Canterbury.

Within two working days we had our own team of claims inspectors out and about on the waterways, personally totting up the cost of repairs.

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So they could start rebuilding their lives, while others were still getting estimates.

We won't make a drama out of a crisis.

We've been baling people out all over the country, just recently.

Since the start of the thaw the claims have been flooding in by the thousand.

Of course, we're still wading through the paperwork.

But we like to think we're coping quicker than most.

You see, we don't mind getting our feet wet. Even at weekends.

In Cardiff, for example, we opened specially on Sunday.

In Bristol, we've already made interim payments to several hundred policyholders.

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Four years on, our claim still holds water.

THE ARTS

Opera
Flexible
charms

Opera 80

Northcott Theatre,
Exeter

Opera 80 have pulled out a real bag of tricks this time. With Ali Bongo as magical consultant, Stephen Lawless has conjured up a solution to the problem of staging the central act of their new production of *Die Fledermaus* perfectly suited to the needs of this small Arts Council touring company, who will play in the small spaces of 16 more provincial venues over the next nine weeks.

Gone is the crowded ballroom; a conjurer entertains a sophisticated and nicely detailed dinner party, making dancing girls from under his cloak, fluttering streams of scarves from his hat, his most sinister trick marked with the sign of the bat. Champagne sparkles in a whirl of coloured lights, dancing as in a Hunderwasser painting against the restless patterning of the set.

John Otto's elegantly proportioned 1912 sets (the jail is as pleasing to look at as the curving lines and rosy light of Eisenstein's house) encourage the convincing simplification and scaling down of costume and movement. Complemented by David Parry's vivacious, always discreetly flexible direction of the small orchestra, and witty new lyrics and libretto by Parry and Lawless, the production moves with a strong, seductive momentum that conceals its own art.

Since there is no Frankie Howard to help out with the last act, Michael McLean's lovable night-porter of a Froch bows to the drunken recollections in a delightful dumb-show monologue by Eric Roberts as a strongly projected, generous, and just as vocally assured and coherently characterized as Stewart Buchanan's suave Falke and Michael Bulman's Eisenstein, though chief honours go to the women: Gillian Sullivan so intelligent and enchanting as Adele that I wish we could have seen more of her, and Catherine McCord as a radiant, versatile Rosalinde.

It is the company's wise policy to exchange principals and chorus between their two productions. Miss McCord surfaced from the chorus of Stewart Trotter's *Figaro* the night before, in which William Mann, two years ago, had hoped she might play the Countess. In a production in which both Marcellina's role and the restless comic business have expanded, and the vocal strength, also generally diminished, Elizabeth Brice takes on the part as a scarcely credible pantomime dame, epitomizing the shallow investigation of her relationship with the Count, the deaf ear turned to their music. Mozart tells us that his asking for pardon is of a quite different nature from Eisenstein's; but here the audience's laughter drowned even that exquisite moment.

Eric Roberts is less at home in his Count's costume. Delith Brook a winsome but as yet unprojected Susanna to Neil Jansen's Figaro. Thank goodness for the musicianship and stage sense of Elise Ross, new to the company, whose Cherubino, no less than her beguiling Orlofsky, had absorbed the music deeply enough to radiate the part with both sensitivity and aplomb.

Hilary Finch

● The Allegri Quartet is to perform all Beethoven's string quartets in the course of six weekly concerts, every Thursday from February 11, at the Queen Elizabeth Hall.

Monteverdi Choir
and Orchestra/
Gardiner

Festival Hall

For Mozart's birthday, John Eliot Gardiner's coupling of the C minor Mass and the *Requiem*, with his Monteverdi Choir and Orchestra, is a coupling, I must aver, not without fear of hubris, that it may have been too much of a good thing.

Between his two greatest, incomplete Masses Mozart's musical thinking altered radically, and of course the music changed likewise. But in both works, as in all his sacred music, he was wearing, so to speak, his church mite. Worthy as he was to put one on, it caused him to compose in a character almost irrelevant to his own musical persona, so rooted are the stylistic premises of his church music in the baroque manner of his predecessors.

If Friday's concert set others thinking afresh about the two works, then the coupling was worthwhile. But neither work seemed to me as pungently interpreted by Gardiner and his colleagues as could be expected from this excellent complex of musicians. They all gave an impression of anxious edginess, rather than the adrenalin-inspired excitement of performing great music in the Festival Hall.

Both performances were decorated by a sure touch of pulses were lively and that double chorus balanced neatly, unoppressively, with orchestra, even in fugues; choral lines were always firm and clear. He omitted the plainsong intonation, a mistake which they set a section in proper balance: a *Gloria* or *Credo* is like a rickety stool without them.

The soloists were sensibly chosen, Stafford Dean reliable and sensitive on the bass line (he sings too seldom in London), Isabel Buchanan more variable in technique, though musical; Diana Montague and Linda Finnie gave assured, even more the flexible *spinto* sound of the tenor Laurence Dale.

William Mann

Wren Orchestra/
Thomas

Queen Elizabeth Hall

With her golden flute and her forthright personality, and the election of one of her recent tracks — as Friday's programme-book told us — as signature tune for *Women's Hour*, Elena Duran seemed set fair to be her sex's answer to Jimmy Galway. In the event, it did not turn out quite like that.

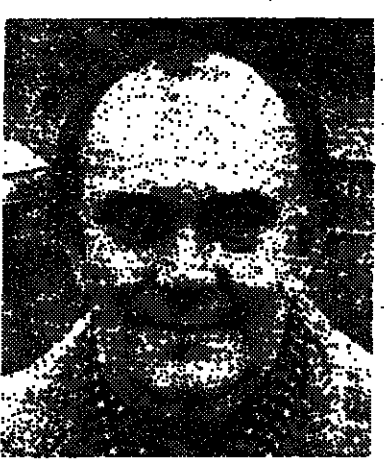
The tradition of the First Night is by no means as loved and respected as many suppose.

Irving Wardle puts the theatre critic's point of view

Opening ceremonies

Last month I had a call from Peter Gill asking me to have another look at his production of *Much Ado About Nothing*. He was not about the original reviews, particularly those that bewailed its lack of a POV (Point of View), and said the performance had come on so much that he now considered it the best piece of work he had done at the National Theatre.

As one of those who joined in last August's guarded chorus, I accepted the invitation and went to see the show again. In outline it was exactly what I remembered: a clean, well-proportioned reading on a stage as bare as a runway. It did not seem to have gathered much new business (apart from the girls' screaming exit at the arrival of Claudio's wedding party), and Dogberry was still making a meal of his malapropisms. What had changed was the atmosphere. *Woe* like "cool" and "auster" no longer applied. The house had warmed up, and Gill's use of varying stage depths for changes in focus between grand-scale conflict and direct address had taken on the natural rhythm of a breathing lung. It was as if the company were sharing the work with a few friends, indicating its dark side without tearing the comedy apart, and



Alan Ayckbourn: chuckle-count

giving a wonderfully free run to the two principals. I have never enjoyed the play more.

This is not a review. If it were, I would have to explain the enjoyment and maybe end up by qualifying it. But the real question is how far the performance itself has changed, and how much it was originally undervalued as a result of the first night routine. It is often said that reviewers get things wrong because they see work under artificial conditions. As their presence helps to create those conditions, some degree of artificiality is inescapable. But even more artificial is the practice of judging a production on the experience of any single night, the first or the fiftieth.

It has its own life-span, growing and changing with time, and according to a director like Jonathan Miller, the most interesting changes have usually happened before the public arrive. To do full justice to any show, whether a comedy-thriller or an uncut *Hamlet*, would take a book rather than a few hundred words.

As that is not going to happen, there is something to be said for the first night as a moment when rehearsal exercises come together in what Peter Brook calls the Grand Exercise. A production is not an athletic event, but if it has to be tested on a single performance you might as well pick one when the company are most likely to be on form. Joan Littlewood, who ignored the existence of first nights, would deny that; and many actors would qualify it. Alec McCowen, for instance, says that first nights are always bad in comedy — "Especially if you've had a good preview. You keep trying to imitate it and listening for the laughs. Not as good as last night, you think, and you start pushing. Like we did in *Tishoo*."

Comedy is often an ordeal for the reviewer as well, sitting stone-faced among the ranks of bored teeth and wondering why he is so feeble for the breakfast table should be going down so well with the paying customers. One answer, of course, is that some of them have not paid. Managements may have given up the old custom of budgeting for paid laughter, but there is still plenty of laughter from people helping their friends along, and reviewers have to decide how much of it is genuine, and how far they should acknowledge an audience reaction that contradicts their own. It takes some arrogance to quibble about the structural imperfections of a show that has had people falling off their seats. Go too far in the other direction, and you join forces with the Broadway statistician whom Alan Ayckbourn saw solemnly listing every titter, chuckle, and deep rich belly laugh, and then adding them all up.

Such examples come mostly from the commercial theatre, to which the first night owes its image of chauffeur-driven cars blocking narrow streets, snatch-photographers on the door and interval voices braying for pre-ordered drinks. It is not as if it used to be in the 1950s when getting into the "Haymarket Play" was like gate-crashing Ascot and it usually turned out that the more trivial the entertainment the more stifling the surrounding press. Nowadays, the furs and dinner-jackets are less thick on the ground, and the star-worship less hysterical.

Toby Rowland, the head of the powerful Stoll group, declares himself in favour of this change. "In the case of a big star, the agents start demanding tickets, which we try to discourage. We want to get the general public in, they're the ones who are going to see the show." Sometimes this is easier said than done. Reviewers form only one fraction of the first night allocation: seats also go out to the company, the producing management, the theatre owner, and with a large-cast musical it can easily happen that the show opens without a single member of the general public in the house.

Until the Arts Council and the GLC acquire the first night habit, subsidized theatres escape this kind of scrum. At the National Theatre, first-night houses are papered only with the press and people in the building who have worked on the production. Board members and educational representatives get their turn at a guest preview. The Royal Shakespeare Company some years ago began a campaign to deglamorize first nights by cutting down the complimentary list and aiming at the atmosphere of a normal performance in which the actors could show their wares properly. At the Aldwych, this was coupled with a reduction in prices for previews and first nights; and from next month Stratford will be brought into line with this way.

I pass over the possibility that this change may have something to do with last year's audience figures, and move on to another



Michael Gambon and Penelope Wilton in Peter Gill's production of "Much Ado About Nothing": a wonderfully free run

first night factor no less distracting than the Ayckbourn chuckle-count. I refer to the build-up: the arrival of a show on a tide of advance publicity heralding what ever it is as the Big One and reducing the unveiling ceremony to a mere matter of form. The West End, to give it its due, is less prone to this manoeuvre than the subsidized sector. It was the RSC's Trevor Nunn who supplied last year's biggest commercial build-up with his New London production of *Cats*. And, although that show swept most of my colleagues off their feet, reviewers as a breed generally resist being stamped, and not least when the rest of Fleet Street has been labouring the significance of some upcoming event.

When it arrives, we are apt to cast our tiny spanner in the

works: sometimes very unfairly, as in the disgraceful dismissal of *Nicholas Nickleby* ("too long"), said the overnight brigade, while the audience were further prolonging it with a 15-minute curtain call; sometimes justly, I believe, as in the case of the NT's *Oresteia* and the lamentable scramble onto Schnitzler's revolving band-wagon. Fair or unfair, such reactions apply to the publicity as well as the show. Being told what to think creates as much resistance as listening to the deep, rich belly laughs of the theatre owner's party. Given a chance, the reviewer will always pick the role of the little boy in the Emperor's New Clothes, and any management that values his opinion will leave him alone to watch the parade without the help of couriers or proclamations.

Theatre

King Lear

Orange Tree,
Richmond

To spectators unfamiliar with the Orange Tree style, it may seem a bit of cheek to present a work of almost unstageable sublimity on a narrow strip of floor where actors work with the most rudimentary props and costumes and without even curtains on the windows.

Those who do know the place and the firm aesthetic that has evolved from these spartan conditions will remember its past successes in subduing other large-scale texts to the anti-illusionist rules. And, after Sam Walters' luminous production of *The Good Women of Setzuan* (in which every girl in the company had a turn in playing Shen Te), I took pleasure in seeing the Ring cycle at this address.

The subtitle, admittedly, is not Mr Walters' zone. He is a narrative director, and most of the devices with which he disciplines huge works to his tiny space are there to indicate what is happening. *Lear*, on these terms, is not such an eccentric choice, as it calls for no elaborate interiors and there are many details in the story that get blotted out by conventional outpourings of tragic passion.

One such detail is that of Gloucester's eyes. We are used to the horrors of the blinding and the succeeding

Edipal pathos. In this casually dressed version, Gloucester (Geoffrey Beavers) follows up his early lines about not needing spectacles by seizing Edmund's letter and putting his glasses on to read it. When another document is thrust on him in the Dover scene he says he cannot read "with the case of eyes." The mad Lear, rejecting this feeble excuse, fishes the glasses out of Gloucester's pocket and plants them on his nose.

This kind of logical invention runs through the production, mastering each physical obstacle with effortless simplicity. For the battle, the floor is cleared and there is a single barbaric roar from all round the room. The storm is treated as a ring-a-roses routine, with player after player arriving to join hands with the rain-lashed party, and only moving in the transitional spasms between one verse paragraph and the next.

There remains, alas, the little matter of individual performances, which by no means share the virtues of the *mis-en-scène*. There are good performances, such as David Timson's Oswald (a thoroughly objective portrait of an intriguing coward who also happens to be a loyal servant with amiable manners). But there are others that belie the show's honesty by taking refuge behind artificial masks: the downgrading of Goneril and Regan into a pair of ugly sisters, and the lamentable doubling of a fearfully spite-

ful Cordelia and a strenuously manic Fool.

Paul Shelley's *Lear* comes into its own from the onset of madness; but the task of representing senility through a vigorously youthful body in a fisherman's sweater has led him into compulsive smiling, chest-stroking and hammer-tap delivery through which you cannot see the man for the mannerisms. The general standard of verse speaking is not good.

Irving Wardle

Trojan

Riverside

I would not want to feel responsible for a single person going to see Farrukh Dhondy's new play for the Black Theatre Cooperative. Denying the audience a dignified means of escape, the company decline to have an interval in a performance of nearly two hours in length. Many spectators, having an equal strength of will, took flight regardless, not in anger, not with the slamming of doors, but silently, in abject boredom. Mr Dhondy has achieved that boredom in rare circumstances: establishing that a handful of black workers have seized control of a British nuclear warhead and are holding the country to ransom, he manages to tell the story without creating a moment of tension or even raising curiosity.

There is drama, however, and it comes through the microphone whenever Pauline Black sings. There is excitement, too, in her expression of every vague emotion in the generally lacklustre lyrics supplied by Mr Dhondy. The music itself is another matter, pulsating with expert musicianhip, but it is a shock apart from the play and, alas, the play is the thing, a contrived, oblique hymn to anarchy; a heavily obscureable downtrodden people of the world to seize power from whatever rulers may be and kill them in the cause of universal justice.

It is a fable set within a fable, with suggestions of a slave rebellion that missed its moment in England's past but which could happen in the future. It is too tediously elaborated to make many spectators care, but at least there is a measure of intelligent performance in Trevor Ward's production, with Ben Onwukwe and Archie Pool showing some of their acting potential.

The great potential is undoubtedly Miss Black's, for she has a thrilling presence, a good voice and more understanding in her face than appears anywhere in the text. This time the Black Theatre Cooperative have gone badly astray, but it is a shame that anything else and you might have trouble believing a word of it. Lindsay Kemp and Christopher Bruce's *Cruel Garden* (BBC2), therefore, began at some disadvantage, but, from the moment the moon (Michael Ho) slipped over the fence in a circle of brilliant white light and slithered to the bulling floor, it transcended the glubness of its metaphors and sustained a terse dramatic spectacle to the end.

It was marvellously danced by Bruce himself in all the above roles — to which he added, memorably, that of a puppeteer — by Yair Vardi as the bull and other agents of destruction and by He, and so well photographed by Nat Crosby and shot by Colin Nears that even unbelievers could overlook all the begged questions posed by an elaborate Deposition and an ambivalent shrug on the Cross.

You do not have to be English to take Stalky & Co (BBC2) — indeed you would probably get more out of it making convenient patterns for a doctoral thesis on The Imperial Ethic at Erlangen or Syracuse, N.Y. "I find it hard to believe," says Angus Wilson in his generally sympathetic study of Kipling, "that the book is not now as dead as *Eric*, or *Little or Tom Brown's School-days*, which it was intended to replace," and, if Alexander Baron's adaptation is faithful to the original, it is impossible not to agree: there is something very resistible about that famous "rebellious" charm.

The first episode revolved around the first night of the play, which was a wonderfully free run. Michael Gambon and Penelope Wilton in Peter Gill's production of "Much Ado About Nothing": a wonderfully free run.

Joan Chissell



Robert Addie as Stalky and John Sterland as Mr Proust in "Stalky & Co": very resistible

Television

Credibility gap

You do not have to be Spanish to go along with all that bit about The Poet as bullfighter, victim, clown and Christ, but it helps. You might just be French (Cocotte) and he bought the role package) but anything else and you might have trouble believing a word of it. Lindsay Kemp and Christopher Bruce's *Cruel Garden* (BBC2), therefore, began at some disadvantage, but, from the moment the moon (Michael Ho) slipped over the fence in a circle of brilliant white light and slithered to the bulling floor, it transcended the glubness of its metaphors and sustained a terse dramatic spectacle to the end.

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almost entirely round which of the two horses was the smellier, King's or Proust's, and Proust's won because Beetle shot a cat by mistake and Stalky put the corpse in the roof above King's dorm: this was construed as a clear moral victory for independence of mind. Nicely enough done — producer Barry Letts, director Rodney Bennett — but sadly unfunny and smug.

Milos Forman on *The South Bank Show* (LWT) spoke well of his early career in Czechoslovakia — extracts from *A Blonde in Love* and *The Firemen's Ball* (it emerged that, after all, the firemen had adored it) came up wonderfully — but less well from *Taking Off* onwards and least well of all, alas, on the imminent *Ragtime* which he seems to have turned into a cross between *Roots* and *Cabin in the Sky*.

In the Open Door programme *Protest and Survival* (BBC2), Schools Against the Bomb uncovered Post-Nuclear Man. His name is Keith Bridge and he works from a bunker on Humber-side whence he prepares the few for the worst in the spirit of 1940 and answers the questions of importunate children with a keen, cold stare and the kind of fast fluttering around the eyelids that *Wildlife on One* warns us to watch out for in female baboons. He will be the Controller for the area and spoke in capital letters of Total Control and Powers of Life and Death. Did that sort of power worry him a bit? It did not. Indeed, nobody could watch this bracingly scornful programme without feeling that Humber Bridge could hardly wait for it all to begin.

Michael Ratcliffe

Dance
Cheerful
spirits

Royal Ballet

Covent Garden

David Peden, who danced the lead in *Les Patineurs* on Friday, brings an irresistibly cheerful spirit to the part, as well as the springy lightness, speed and crispness which make his many solo entries particularly dazzling. It is a long time, too, since we saw anyone come so close to restoring the original daring of one series of revolving leaps where the skater tries to throw his feet higher than his down-turned head.

Theodore Eyden's smoothly romantic lead in *White*, with Fiona Chadwick and Genesia Rosato prettily neat as the two in red, were the other outstanding members of this new cast. Jennifer Jackson and Rosemary Taylor as the blue girls, who perky in the trio with Peden, but made heavy going of their solos; perhaps the whole ballet should be handed over to the younger dancers.

were new young interpreters: also in *My Brother, My Sisters*, Kenneth MacMillan's enigmatic but fascinating portrait of an enclosed family destroying itself. Ashley Page is another dancer distinguished by physical bravado; the way he hurls himself about the stage has an apparent recklessness that whips up the tension among the sisters.

Bryony Brind brings an unexpectedly knowing air to the first sister, who makes sense once you see the lascivious relish with which she sets about seducing the brother and picking off her sisters. Ross MacGibbon gives a puzzled, sturdy manner to the outsider, who watches their progression into depravity; Lesley Collier continues to strengthen her portrait of the innocent victim.

John Percival

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MR REAGAN IN PERSON

One of the side effects of the Polish crisis has been to demonstrate the lack of understanding and confidence within the western alliance. This has come about partly because the United States and a number of its European partners, especially West Germany, made conflicting interpretations of events in Poland. It can be attributed partly to the confusion that exists in Washington over the making of foreign policy under the present administration because Mr Haig neither has the authority to make policy on his own nor sufficiently good relations with his colleagues to cooperate happily in making policy jointly. He becomes too easily obsessed with questions of jurisdiction.

But there is another, deeper weakness in the alliance that has been highlighted by the Polish tragedy: there is insufficient trust in American leadership. There is nothing new in this. For years it has been evident that the alliance can thrive only when there is confidence in strong American leadership, and under successive Presidents it has been evident that this confidence has been missing. Sometimes their policies have repelled European opinion,

but there has been a more personal factor as well. Not since the death of John Kennedy has an American President spoken to Europe in terms to which Europe has responded.

If confidence in the United States is to be restored in Europe it will require an exercise of personal leadership. It is therefore excellent news that President Reagan is to visit Europe in June. He came to office with one great advantage and one particular liability. He has a greater capacity than any President since Kennedy to speak in tones that can be appreciated beyond the shores of the United States. But he brought with him a reputation as a primitive extremist that is particularly distressing to European opinion. The reputation is unfair. It owed something, no doubt, to our failure to look at acts rather than rhetoric, something to liberal stereotyping. But it is a political fact which the President and his advisers must take into account.

The best way for Mr Reagan to make the most of his asset and the least of his liability is for him to be seen in person. That was precisely the tactic he employed to

such effect in his election campaign. He destroyed the myth of the wild man, sedulously fostered by the Carter camp, by his appearance in the television debate with Mr Carter. How could anyone believe that the more relaxed and friendly candidate could be a threat to world peace?

He needs to employ the same gift now in his dealings with Europe. The more he remains a remote figure in the White House the more it will be the Reagan caricature who is thought by European opinion to be the President of the United States. The more he talks with allied leaders — as he will be doing in the summit meetings in Europe, first of the industrialised nations and then of NATO — the better chance there will be of bridging the gap in understanding and devising a joint western approach, not just to Poland but also to the broader challenges of the 1980s. Yet even that will not be enough. If he is to reverse the dangerous tide of anti-American sentiment in western Europe he should take every opportunity to speak directly to the people on this side of the Atlantic. It is what he is best fitted to do and what they most need to hear.

FREEING TRAVEL FROM MONOPOLY

The business, commerce and political unity of Europe requires easy and economical travel. It does not have it in the air. The contrast with the United States is striking; competitive air travel has shrunk the continent so that the Boston publisher thinks nothing of popping down to Houston for the biography of an oilman. But Europe, which is supposed to be drawing closer together, is being driven apart by the national pride in flying the flag. It is this which underlies the excessive cost of flying on scheduled services: the British businessman thinks three times before adding to his costs with a £300-plus air trip to Madrid.

The British Government, happily for once fulfilling its competitive instincts, is trying to do something about reducing European air fares. It is not encouraged by British Airways which is dragging its feet, but it has in the private person of Lord Bethell a spear-carrier of exemplary courage. It is his persistence against a weight of political and bureaucratic inertia that would have made Kafka wilt that has put the issue firmly on the agenda. This week he is expected personally to see Sabena, the Belgian air line, in the English county courts. He claims that they overcharge him by about £50 each time he flies to Brussels, contrary to EEC law.

There are those who hold that Lord Bethell is reducing what is essentially a political and commercial argument to a narrowly legalistic one and that his actions are therefore unhelpful. He himself believes on the contrary that commercial and political pressure have failed so singly

over the years to crack the European price fixing that the sharp needle of legal denunciation is the only way of producing a response. He deserves support for trying. As the article on the opposite page shows, it is possible to fly from London to destinations in North America more cheaply than to Europe. This is so partly because certain costs are higher in Europe (but need they be?) and because the traffic is less dense; but it is also because if an outside airline seeks to introduce a new low fare on a national route the national airline will swiftly have the fare prohibited by its government. Lord Bethell and the British Government argue that this is contrary to the interests of the consumer and contrary to the Treaty of Rome which requires free competition within the Common Market. That is why he is also suing the European Commission, goading it to act as watchdog.

It would be cavalier to dismiss the opposition by the monopoly state carriers in Europe as narrow self-interest. The President of Air France, M. Pierre Giraudet, argued in his Presidential address to IATA last autumn that free competition could not optimize the market. Weightier issues of freedom and order come into it. Air transport, he argued, is part of the nation's activity that no country can do without. No nation could rely on a foreign company driven only by the profit motive for its exchange with the rest of the world. Some company will always be found, he argued, to provide tariffs which only cover variable costs so as to fill planes. Its national competitor and others would then be forced

into a race away from profitability: "an infernal cycle is set in motion, taking all companies to their ruin".

The flaw in the argument, from the European and the consumer's point of view, is its insistence on the survival of national airlines. That is contrary to the spirit of the Common Market and the Treaty of Rome. In the United States free competition rules within a true common market and fares are a half to a third of those in Europe. There are no individual states preventing competition on behalf of a favourite son.

Last year more than a million Britons saw something of America, an astonishing and welcome increase in our travel. We should have comparative ease in visiting Europe. As an island the British depend more on air and should be able to travel without the hindrance of monopoly charges.

Britain's air transport industry, despite the troubles of British Airways and Laker, is probably the most competitive after America's. British Airways' alliance with the state monopoly carriers is therefore disappointing: it is understandable that the others should be more frightened of competition. But the conflict could and should be resolved by the formulation of a positive and distinctively European policy for air transport. In its absence the interests of the consumers are being blatantly over-ridden. Lord Bethell is right to pursue the EEC Commission through the courts and the Government has a duty to encourage him. The Commission, whose job it is to try to formulate the community's policy, should be delighted to play fair guy in Lord Bethell's suit.

money, in effect it can put up spending only within the limits set by the domestic governments of the Ten, who have good political reasons back home for keeping expenditure strictly under their own control and in tune with their own electoral imperatives.

It was extraordinary that the constituent governments of the EEC should ever have conceded the right of Parliament to any voice at all in the Community budget. They did, though reluctantly. In 1970 the budgetary provisions of the treaties were amended, and the Council of Ministers itself asked the Commission to submit proposals on the Parliament's budgetary powers. Two years later nothing had happened.

Georges Spenale, the French socialist, persuaded the Parliament to use the ultimate deterrent of a censure motion against the Commission. That motion was withdrawn only on the understanding that proposals would be forthcoming. In January 1975, new budgetary rules began to operate, and seven months later Parliament was given power to reject the Community budget — to this day its one substantial gain over the bureaucracy.

Nevertheless, it is still a power better ignored than used. Parliament's president has to sign the annual budget into operation, and more than once there have been delays. But only once has the Parliament rejected a budget. That was the 1980 draft budget, with the German trade unionist Erwin Lange as chairman of the budget committee and Peter Dankert as rapporteur. The budget did not pass until July. Meanwhile the Community lived on the short commons of 1979 — not least the Parliament itself.

The point is that the Parliament wants to increase community spending, especially on domestic, social and regional policies, and unlike the govern-

ments of the Ten it wants to break through the one per cent ceiling on VAT receipts; and to reject the budget means limiting next year's budget to the same level as this year's. Therefore, it is a self-defeating operation. The only source of new revenue for the Parliament, which now exercises control over roughly a third of the Community budget, is to reduce spending on the common agricultural policy, which has been considered from the early days of the Six as obligatory. Now it is certain that CAP cuts would carry in a Parliament where the farming vote is electorally sensitive.

Here will lie Robert Jackson's problem. One of his first preoccupations as rapporteur will be the decision of the Council of Foreign Ministers to take the European Parliament to the Luxembourg Court because Mone Veil signed the 1982 budget into operation after Parliament had increased expenditure without Council approval. Meanwhile, throughout the Community the farmers, and politicians who need their votes, have begun the fight for much bigger increases in CAP expenditure for 1982 than the Commission has proposed. Christopher Tugendhat, the Budget Commissioner, will soon be banging his head against the one per cent VAT ceiling, which at least half the governments of the Ten say must be as unchangeable as the Ten Commandments.

Robert Jackson said yesterday that the British Government and the European Parliament are taking the same road: "Both want a more cost-effective CAP and to expand the non-agricultural policies from which Britain benefits." I suspect that a few years ago, writing for *The Times*, he would have built in more qualifications, and a milder measure of politicians' licence. If only politicians would confess that every solution to a problem creates a new problem.

Roosevelt and the use of power

From Mr P. F. Breakell

Sir, Mr Henry Fairlie's sharp insight into American affairs makes it the more surprising that his article in the *Times* of January 20, "Is Reagan a Roosevelt?", should be so wide of the mark.

In making this strange comparison he omits the vital factor — power and the national will to exercise it.

Were there 11 or 13 million unemployed in America between the start of the New Deal and the last war? Certainly there were many. Roosevelt dredged great power and comparative unity out of a national awareness of disaster to which he boldly and credibly claimed the only solution.

President Reagan has no such launching pad. American power and the willingness to use it have drastically declined in the affluent nuclear "peace" of the past 35 years. Caution, à la Carter, is all. Risk is not to be considered. How many will volunteer under that sort of banner? Nevertheless, he tries hard for revival. He may be too late but I cannot believe that he does not deserve support.

Mr Fairlie overworks that fashionable word "compassion". Compassion, expressed in a sort of vacuum, is not only condescending but also unhelpful. Surely no president should be demonstrating compassion as if he were a bishop. However, he may be able to provide it in material terms if he can arouse some sense of purpose in many of those who need and deserve it.

Yours faithfully,
P. F. BREAKELL,
11 Fitzroy Square, W1.

Positive discrimination
From Michael Malone
Sir, Mr Werdnüller (January 25) refers repeatedly to the need to remove discriminatory practices as being the justification for positive discrimination. It seems to me that he does not appreciate the distinction between indirect discrimination and positive discrimination.

We already have laws against indirect racial and sex discrimination, laws which are designed to eliminate unjustifiable employment and other practices which have developed quite innocently but which have the effect of penalising or handicapping racial minorities or women (or sometimes men).

Positive discrimination, which happily is lawful only to a very limited extent, is a very different animal. It is a blunt instrument which, on the basis of crude statistics, not only works injustice against individuals but also strikes at the whole moral basis of the laws against discrimination.

Without such moral basis these laws will be left based only on expediency and as such can never hope to command the full assent and support of our society.

Yours faithfully,
MICHAEL MALONE,
22 Higher Dunscair,
Bolton,
Lancashire,
January 27.

Validity of orders
From Lord Rawlinson of Ewell, QC

Sir, Mr Gerard Noel writes (January 25) that it would surely be more "honest and dignified" (whatever that may mean) for the Roman Catholic Church to abandon its Secularist stance. I hope that his letter will not be taken as the voice of the voice of the Roman Catholic laity.

To some Allied soldiers nearly forty years ago and today to millions of Poles, the value of the minuscule Vatican City State has been demonstrated in war and in uneasy peace. But above all, to many of us, it is wholly desirable that the head of Church with such a massive worldwide membership should be able to preach and write and pray in a state independent in international law of all other secular dominions.

Yours faithfully,
RAWLINSON,
12 King's Bench Walk,
Temple, EC4,
January 25.

Conviction
From Mr Tom O'Carroll
Sir, I do not in the least object to your diarist's reference to me (Jan 21) as a successful author, but I am not a "sexual offender" in any sense of the word. I have one conviction only, which is for "conspiracy to corrupt public morals". This offence, which was concerned solely with a publication, did not involve me, or anyone else, in any sexual conduct, legal or otherwise.

Yours faithfully,
TOM O'CARROLL,
HM Prison,
Heathfield Road,
Wandsworth SW18.

LETTERS TO THE EDITOR

When fuel supplies are disconnected

From the Chairman of the London Electricity Consultative Council

Sir, Early this month, the gas and electricity industries will give the Government their responses to the recommendations in the report, *Fuel Debts and Hardship*, published by the Policy Studies Institute last November.

This study was sponsored in 1978 by the industries, as well as the Electricity Consumers Council and the National Gas Consumers Council, under the guidance of the Department of Energy. It set out to discover whether the fuel boards' code of practice provides firm and effective safeguards against disconnection in cases of hardship. The review took nearly three years to complete, and it was very thorough.

The PSI found that the voluntary code of practice has not worked properly, and gives inadequate protection to those most vulnerable in their dealings with the fuel boards. It recommended a wide range of improvements, most of which my council — the statutory watchdog for London electricity consumers — has supported in its own submission to the Government.

Overall, the PSI's proposals will cut out most of the opportunities for abuse of the existing code by those who can afford to pay, leaving a system designed to deal automatically with the great majority of hardship cases, without resort to disconnection. This is what the industries, and every other interested party, including the government, claim to want.

'New deal' for Britain

From Mr Richard Wainwright, M.P. for Colne Valley, (Liberal) and Mr Harry Couie

Sir, We welcome Christopher Johnson's article, "Why Britain needs a New Deal" (January 20), which makes a powerful case for a substantial increase in public sector investment, especially housing, roads, water services and related infrastructure. Liberals have recently published a pamphlet, *A Chance to Succeed*, outlining a similar programme calling for £1,500m extra in these sectors, which we estimate would create around 450,000 jobs, mainly in private manufacturing, particularly the depressed construction industry. It would be necessary to ensure that small companies get their fair share of subcontracting, by government laying down a minimum of 20 per cent of purchasing to come from that sector.

There is also a strong case for investing heavily in advanced technology, and in the regions which have the highest unemployment rates. We see information technology as a challenge and a threat. It could reverse the trend of the last 50 years towards mass-production factories and huge outflows.

The scope for the application of microcomputers is considerable, not least in the welfare services, which still operate punch-card systems. But it will only be effective when there is a national network of System X exchanges linked by optic fibre cables permitting small teams to plug into national data banks.

To this end, large companies must be encouraged to have off existing departments (and especially new projects) to their own employees, giving them a bigger say and a profit participation in their own companies. By that means, for example, typing pools will be encouraged

currently undiagnosed, who could be detected by screening. The tests are simple and cheap: either a urine test or a blood sugar test.

Blindness and foot disease (leading to infection, gangrene and amputation) are well-known complications of diabetes. Both these conditions can be alleviated, or even prevented, by early diagnosis and treatment.

Surely this is one of the most effective and cheapest forms of health screening with real benefits.

Yours faithfully,
P. J. WATKINS, Chairman,
Medical Advisory Committee,
British Diabetic Association,
10 Queen Anne Street, W1,
January 27.

Proper names
From Mr Martin Butlin

Sir, Your readers may be amused by two messages of greeting from abroad that have arrived on my desk at the Tate Gallery. One is addressed to "Mr William Blake, Tate Gallery 15/7, London, England"; the figures are presumably the date of Blake's birth, 1757. The other came directed to the attention of "Mr and Mrs J. M. W. Turner, Chichester Canal Circa 1830-1, Tate Gallery 560, England". In this case the address, which miraculously seems to have caused no problems to the Post Office, is based on the title, date and inventory number of the painting in the Turner Bequest.

Yours faithfully,
MARTIN BUTLIN,
Keeper of Historic British Collection,
Tate Gallery,
Millbank, SW1,
January 26.

From Mr K. St. Paulowich
Sir, I was during the last war Principal Private Secretary to the Yugoslav Prime Minister. One evening, in 1942, a messenger from the War Office came and handed me an official letter addressed to the Czechoslovak Liaison Officer to the Yugoslav Government.

In 1956, when the second volume of my five volume biography of a Yugoslav statesman was published, I sent a copy

Regrettably, the main reaction by the industries so far has been to "play up" the cost implications of the PSI's report. The Electricity Council, for example, has claimed that PSI's recommendations will cost £61 million a year at current prices. It asserts these figures, but has been most reluctant to disclose to the Electricity Consumers Council the full basis for its calculations of the specific assumptions used.

Apparently, the gas industry has estimated even higher costs. All these figures should be ignored as bureaucratic propaganda until the industries can substantiate them, and show that they have allowed for the offsetting financial benefits that PSI can bring.

Meanwhile, I hope the Government will note the recent enactment by New York State of the Home Energy Fair Practices Act. This imposes on the gas and electricity utilities a statutory disconnection code. It is more rigorous on some key points than anything we will get by voluntary agreement here, and more far reaching than many of the PSI's proposals. Surely our public monopolies — allegedly the embodiment of people's power — should be held to account at least as firmly as their private counterparts in capitalist USA?

Yours faithfully,
ALEX HENNEY,
London Electricity Consultative Council,
4 Broad Street Place,
Blomfield Street, EC2.

to become "offices of the future".

The threat is that if we do not seize the opportunities, the only "sunrise" industries will remain in Japan and California. To avoid this we require radical change in our approach to youth training and education, which implies an increase also in current expenditure. Finally, if private industry is going to be able to tool up for an investment-led recovery there is a case for employment subsidies, at least initially, until the investment programme comes through into order books.

The total gross outlay we estimate would be £3bn (1981 prices) spread over three years, providing a million jobs at a net cost to the PSBR (public sector borrowing requirement) of £3bn. Much of the national finance could be provided from North Sea oil revenue. There may be considerable scope for financing various regional projects as well as an information technology network from private institutional investment. We have in mind performance related bonds, such as Buzby bonds, and project finance, for example, the recent Tarmac initiative to raise private debt finance capital to promote the completion of the M42.

So far the Conservative Government has blocked these imaginative schemes on monetary considerations, whereas we believe that pension-fund managers would welcome an opportunity to invest in a wider range of private and public instruments, including indexed bonds issued by regional agencies backed by North Sea oil revenue.

Yours faithfully,
RICHARD WAINWRIGHT,
HARRY COUIE,
Chairman,
Liberal Party Treasury Affairs Panel,
The Liberal Party Organization,
Whitehall Place, S.W.1,
January 20.

Diabetes screening
From Dr P. J. Watkins

Sir, Your Health Services Correspondent, Annabel Ferriman, has presented a balanced view of health screening (January 22) but suggested screening for early diabetes is controversial. It may be, as she points out, controversial whether or not life is prolonged by early treatment, but few of those detected by screening are actually symptomatic. Diabetes is one of the few disorders detected on routine screening in which well-being actually improves as a result of treatment.

Diabetes is common: about half a million diagnosed in the UK and an equal number again,

to the British Museum and received an acknowledgment addressed to Knjiga Druga, Esq., which in the Serbian language means Volume Two, Esq.

I beg to remain, Sir,
Your obedient servant,
K. ST. PAULOWITCH,
Selwyn College,
Cambridge,
January 27.

From the Venerable C. G. Hooper
Sir, A letter received by me from Holland was addressed to: "Mr Van Arch Beacon."

A luminary, I like to think. Yours faithfully,
C. G. HOOPER,
Archdeacon of Ipswich,
East Green Cottage,
Kelsdale,
Saxmundham, Suffolk,
January 20.

From Mr Christopher Pearson
Sir, When I worked years ago for the late Lord Trevelyan I arrived for "The County Survivor". Forewarned, we drew lots for the privilege of accepting it, and speculated on the fate of the people of Surrey.

But then the penny dropped, and the letter went on to her Ladyship. Yours faithfully,
CHRISTOPHER PEARSON,
How Park,
Kings Somborne,
Hampshire,
January 26.

Establishing new long distance paths

From the Secretary of the Ramblers Association

Sir, The Countryside Commission has just announced that the Cambrian Way long distance path, from Cardiff to Conwy, is not to be designated. The negative attitude of a number of Welsh local authorities has caused the commission to abandon the project.

There are several lessons to be drawn from this unfortunate decision. May I refer to two of them?

In the first place, the Cambrian Way saga has demonstrated the inadequacy of procedures for establishing new long distance paths. Although the commission is responsible for the designation of the paths and for paying 100% grant towards their maintenance, they have no actual powers to create the necessary rights of way. They have to rely entirely on the co-operation of local authorities along the route, and sometimes this is not forthcoming. In addition, the routes can only be created on a piecemeal basis, with separate orders and public inquiries being needed for each individual stretch of new path. Although the commission have indicated their desire for a more streamlined procedure, and although we promoted a suitable amendment during the passage of the Wildlife and Countryside Bill, that opportunity was not taken up and the old procedures still remain.

A more important lesson concerns the role of the commission itself. The abandonment of the Cambrian Way has been offered as an example of the commission's switch in priority from recreation to conservation. The commission should tread very warily along this path. Already it is becoming heavily involved in the field of wildlife conservation, which is more properly the preserve of the Nature Conservancy Commission.

At the same time it is closing regional offices and is handing over the administration of the Regional Councils for Sport and Recreation to the Sports Council. If these trends continue, people will come to question whether there is a need for the commission's separate body at all. We would make this as a tragedy because in our view the commission has a unique role as an organisation that can promote the national interests of informal recreation in the countryside. In pursuing this role, one of the commission's few executive powers is the designation and promotion of long distance paths. Following the decision on the Cambrian Way, the Commission should now demonstrate that this is a power which it intends to continue making good use of.

Yours sincerely,
ALAN MATTINGLY, Secretary,
The Ramblers Association,
15 Wandsworth Road, SW8,
January 28.

'Police' series
From Mr Roger Graef

Sir, As you are a newspaper of record, may I put straight the circumstances under which the *Police* series originated (article, Monday, January 25).

The idea emerged from John Shearer, Head of General Programmes Unit, BBC Bristol, and Philip Dalry, Head of the Bristol Network Production Centre, early in 1979. They approached the Association of Chief Police Officers for general approval of the series in the summer of 1979. I was engaged as executive producer/director in November 1979. The team was then built that would make the series, including Charles Stewart as co-director/cameraman, and Amanda Theunissen, assistant producer and Glen Davis, researcher. We devoted the next few months to learning about a variety of police forces and their willingness to receive us openly. In April 1980 we settled on Thames Valley Police.

Yours faithfully,
ROGER GRAEF,
BBC Bristol,
Broadcasting House,
Whiteladies Road,
Bristol.

Shingles and shakes
From Mr M. W. Inman

Sir Fifty years ago I climbed trembling on the steeply pitched ladders to the spire of Ewhurst Church in Surrey, having just delivered 17,000 cleft oak shingles for its re-covering.

May I correct Mr. Peter Stedman's Letters January 26) for calling them oak shingles which means something very different in the home-grown timber trade and applies to the imported sawn article.

For well over a hundred years the firm founded by my great-grandfather produced many thousands of oak shingles which were a by-product from the clearing of larger items such as pales, spokes and barrel staves. It is good to know that shingles are now being specially cleft more easily from chestnut which is unsuitable for spokes and staves.

Yours faithfully,
M. W. INMAN,
7 Southover High Street,
Lewes, Sussex,
January 28.

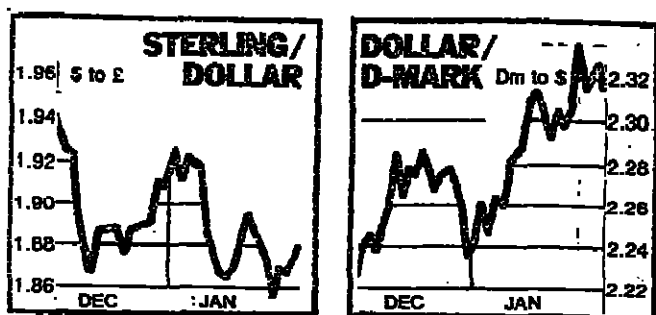
Driving ambition
From Mr John Parker

Sir, I wonder how many school-boys now wish to be engine drivers when they grow up.

Yours truly,
JOHN PARKER,
The Sycamores,
Devisdale Road,
Bowden,
Cheshire,
January 28.

BUSINESS NEWS

Spotlight on dollar



The dollar will be watched closely this week. European leaders are pressing for a cut in American interest rates which could cause it to weaken. But the disappointing money supplies figures limit the Federal Reserve Board's freedom to bring rates down.

CBI in Market campaign

Sir Terence Beckett, director general of the Confederation of British Industry, today inaugurates a CBI campaign for Britain to remain within the EEC with a warning that the jobs of 2.5 million workers in British companies depend on the United Kingdom's continued membership. He said that hundreds of thousands of these would be jeopardized by pulling out.

Oil cut urged on Saudis

Pressure in Saudi Arabia to cut oil production and support falling prices mounted as Ministers from the Gulf Cooperation Council met in Riyadh, Saudi Arabia, yesterday. But Dr Mana Said al-Otaiba, the United Arab Emirates oil minister and president of Opec, said he did not expect an Opec meeting before that set for Quito, Ecuador, in May.

Warning on reflation

A warning that an increase in the money supply of as little as 1 per cent a year could eliminate the British balance of payments surplus has been given by Phillips & Drew, the stockbrokers, in their February economic forecasts.

The firm also expects no average real growth in national product between 1983 and 1985. Indeed, after achieving growth this year and in 1983, gnp could contract by 1.5 per cent in 1985.

Easing tension

Japan has now formally adapted a series of measures to boost imports and soothe growing tensions with the West over trade. Mr John Biffen, the Secretary of State for Trade, who is today starting a three-day official visit to Japan will use the opportunity to encourage increased foreign investment in Japan.

Export talks

The United Nations Conference on Trade and Development opens two weeks of commodity talks in Geneva today to help third world countries improve export earnings by processing their raw materials, such as refining sugar or canning vegetables. Until now, Unctad has concentrated on stabilizing prices for raw materials through buffer stocks and international agreements.

Scanner advance

M & D Technology has been set up in Scotland to design and manufacture Nuclear Magnetic Resonance scanners for medical use.

The £400,000 instruments represent a big advance in the screening and diagnosis of cancer. They can give doctors not only an image of organs in the body but also an idea of the biochemical processes taking place.

Prutech, Prudential Assurance's high technology investment arm, is the main shareholder with a 35 per cent stake.

THE WEEK AHEAD

Improvement hopes

LONDON EXCHANGE

FT Index 579.8
FT 100 65
Bargains 20,560
(Friday's close)

Rationalization has cost Reed International £5.5m so far this year.

But third quarter results due on Tuesday should show that the group is well on the way to improving on last year's £25.4m pre-tax, with analysts expecting between £76m and £80m, for the year to March.

At the half way stage pre-tax profits of £38m up £11m on the previous year and would have been higher but for increased interest charges and the weakness of sterling against the dollar, the currency in which newspaper is priced.

The IPC magazine business was the main contributor to profits at mid-year, after strike losses the previous year.

Besides an improvement in the publishing divisions, Reed's decorative products division is returning to profit and could

contribute around £10m to full year profits. There should be a reasonable increase in dividend for the year to around 20p against 18.6p.

Electronics has been a glamorous sector in the recent past but has lost some of its gloss and half-year figures of Unitech due on Tuesday will bear this out and are likely to be below last year's £22.5m at the half-year.

Mr Peter Curry, chairman, gave warning last September that profits for the half year would be down, but said that the year as a whole should be similar to the previous year, when taxable profits amounted to £4.3m.

Depressed United Kingdom markets have been matched by a similar situation in both France and Germany, particularly the latter, where intense competition has led to the newly acquired subsidiary Enatech.

Dividend for the year should be held at 10p and with the shares at 227p yielding a mere 4.4 per cent.

Hillards the York stores group should achieve when pre-tax profits least 72 per cent in the year to May.

INSURANCE

The Lloyd's Bill reaches a critical stage on Wednesday at its third reading in the House of Commons with Conservative backbenchers still opposed to the so-called "immunity clause" which would give a statutory immunity to Lloyd's unless the "immunity" clause would give a new ruling council protection from being sued for damages by members of Lloyd's.

Mr Peter Miller, the Lloyd's committee member who has been responsible for steering the Bill through, said the immunity clause had been closely examined at the committee stage of the Bill and Lloyd's had already refined it by proposing an amendment overriding immunity in the case of clerical error. He said it was not possible to compromise now.

But Mr Archibald Hamilton, Conservative MP for Epsom and Ewell who has taken a close interest in the Bill and opposed immunity, said that he found Lloyd's attitude quite extraordinary.

The Bill is due for debate between 7 and 10 o'clock and a large number of amendments are being tabled. Mr Hamilton said: "I think it will get talked out unless some compromise is made."

He added that if that happened there was virtually no chance of getting more parliamentary time.

BOARD MEETINGS

TODAY: Interims—Electronic Machine, Hillards, R H Morley, Regional Properties, Howard Shuttering, Jextured Jersey, Semtex, Sherrill, (8 months) Whitworth Electrical.

Finals—Kellcock Trust. TOMORROW: Interims—Cowan De Groot, Gold Fields of South Africa, Reed (9 months), Unitech, Zetliff.

Finals—IDC, Prestige. WEDNESDAY: Interims—Wickham Securities, Wynd Trust, Munton Bros, Steinberg.

Finals—Western Selection, Westminster Properties. THURSDAY: Interims—Kinta Kelas Rubber, Malaysia Rubber, Semtex, Sherrill, (8 months).

Finals—Blundell-Permgloze, Lonsdale Universal Scottish Agricultural.

FRIDAY: Interims—Burt Boulton, Capital Reserve Fund, Dura Mill, English Associated, M L Holdings, Portsmouth and Sunderland News (9 months).

Finals—Associated Fisheries, Glasgow Stockholders Trust.

DIARY

Today: Select committee discusses Budgetary reform. Tomorrow: CBI industrial trends survey for January; United Kingdom official reserves for January; Capital issues and redemptions for January. Wednesday: Advance energy statistics for December; Commons discusses Lloyd's Bill. Thursday: Public sector borrowing requirement and details of local authority borrowing for fourth quarter. Friday: Housing starts and completions for December. Companies reporting their results this week include Electronic Machine, Hillards, Regional Properties, Cowan De Groot, Gold Fields of South Africa, Reed and Unitech, Westminster Properties, Stonehill, Semtex, Blundell-Permgloze, Burt Boulton and Associated Fisheries.

Industry renews fuel bills offensive

By Peter Hill, Industrial Editor

Britain's energy-intensive industries are to step up demands on the Government to cut their fuel bills.

Anger over Whitehall's failure to reduce the disparity between prices paid for gas and electricity by some United Kingdom industries, including chemical steel, paper and board, compared with their European rivals, has been simmering since last autumn. It is now set to erupt again.

Two reports produced last year by a task force set up by the National Economic Development Council confirmed the extent of the energy price disparity. The second report, published last November, showed that in the case of most fuels the gap had closed. Even so, the UK's biggest power users were still paying up to 16 per cent more for electricity than in West Germany and up to 28 per cent more than in France.

The steel industry, which last year paid out £520m for gas, electricity and fuel oil, is spearheading the latest offensive. Steelmakers claim that change rate movements in the period since the last task force report have opened up the disparities once more and, worse still, British Gas—at present at loggerheads with Mr Nigel Lawson, Sec-

retary of State for Energy, over the Government's privatization plans—is demanding quarterly increases of 1p a therm, on renewal of firm gas contracts.

This move is regarded by the British Steel Corporation and by independent steel producers as a reversion to the gas corporation's unrealistic pricing policy following the Government-imposed freeze on renewal prices made in the 1981 Budget.

They also see the quarterly increase clause as conflicting with the gas corporation's pledge to apply increases "taking account of market conditions".

Through the NEDC the Iron and Steel Working Party is urging both Mr Lawson and Mr Patrick Jenkin, Secretary of State for Industry, to act swiftly and implement a coherent and positive response against a background of the volume of evidence provided by the task force.

BSC, which claims that its total energy cost disadvantage, compared with its European competitors, is equivalent to an additional £3 on every tonne of liquid steel it produces, is supporting representations made to ministers by the British Independent Steel Producers Association.

renewed commitments from directors representing 63.6 per cent of ACC voting shares and in qualifying his undertaking to waive these commitments effectively reserved the right to decide what constituted a better offer.

This move by Barclays on behalf of Mr Ronson comes on the day Heron is due to go to the Appeal Court to overturn Friday's High Court Ruling that stopped his £46.5m bid for ACC, which was £10m more than the value of Mr Holmes's Court's Bell Group offer.

At Thursday's hearing, Mr Justice Vinelott referred to the ACC's financial position and noted that a sale of assets or long-term borrowing would be necessary to meet the group's "seemingly insatiable" needs. "It seems to me wholly understandable that directors in that position could not afford to call Mr Holmes's bluff without possible damaging consequences", he said.

In summing up at the High Court hearing which turned down Mr Ronson's attempt to stop the Holmes's Court offer, Mr Justice Vinelott ordered an extraordinary meeting of ACC voting shareholders to be held to consider the bid.

Mr Holmes's Court has

Heron in new move to stop ACC bid

By Gareth David

Mr Gerald Ronson of Heron Corporation is making another attempt to persuade the small number of voting shareholders of Associated Communications Corporation to reject the £36m bid by Mr Robert Holmes's Court, the Australian financier, and open the way to further suitors.

Heron says in a letter addressed to the shareholders which they will receive today from Barclays Merchant Bank, Heron's advisers that Mr Holmes's Court undertook to free ACC directors from accepting his offer in the event of a preferable one.

In summing up at the High Court hearing which turned down Mr Ronson's attempt to stop the Holmes's Court offer, Mr Justice Vinelott ordered an extraordinary meeting of ACC voting shareholders to be held to consider the bid.

Mr Holmes's Court has

Cable TV report completed

By Bill Johnstone

A Cabinet Office advisory committee has just completed a report favouring relaxation of the present constraints on cable television. The study, prepared by the Committee on Information Technology, takes account of submissions by the National Economic Development Office, Department of Industry, Home Office and interested parties in the television industry.

The report, which is to be published within the next month, is expected to precipitate a statement on the subject by the government about the middle of this year, designated Information Technology Year.

There are seven operators in the United Kingdom who have been allowed to take part in a two-year cable television experiment in more than a dozen locations around Britain in order to gauge the public's response to such a service. They are Rediffusion, Visionline Cable, Philips Cable, British Telecom, Radio Rentals, Greenview Cablevision and Cablevision of Wellingborough.

The patent on the PAL colour television system, held by Telefunken of Germany, which prevented the foreign manufacture of colour television sets over 20 inches—will expire in 1983.

Many in the consumer electronics industry who submitted evidence to the Cabinet Office committee on cable television have claimed that a government initiative relaxing the constraints would give a much-needed boost to the British manufacturing industry. Others who have submitted evidence have gone further by suggesting that the use of British equipment in these cable television networks should be a condition for an operating licence.

Two other independent studies on cable television are to start soon. One is by CIT Research, which is also investigating the export potential of System X for the Government and another is by the Broadcast Research Unit.

At the moment there are fewer than two million homes in the United Kingdom wired for cable.

TUC urges campaign to draw foreign investors

By Edward Townsend, Industrial Correspondent

The TUC will urge the Government this week to introduce new measures to attract foreign investors to the United Kingdom in a major bid to increase industrial competitiveness and reduce unemployment.

A paper to be delivered by the TUC to Wednesday's National Economic Development Council will argue that the abolition of exchange controls has led to a big rise in the United Kingdom portfolio investments abroad, with a subsequent damaging impact on the domestic economy.

The meeting is to be chaired by Mrs Thatcher, the Prime Minister, and it is likely that industry and union leaders will take the opportunity to widen the debate into a general discussion on the economy, the state of industry and unemployment.

It is to take place just 24 hours after the publication of the Confederation of British Industry's latest quarterly

trends survey which is expected to confirm employers' view that a modest recovery of only one per cent is likely in the United Kingdom industrial output this year.

The CBI's last monthly trends survey, issued a few days before Christmas, showed that 65 per cent of manufacturing companies expected their production volumes to remain at their present depressed levels at least until the end of April.

Wednesday's meeting also comes in the wake of the numerous Budget submissions that have now been sent to Sir Geoffrey Howe, Chancellor of the Exchequer. Many of those from industrial organizations call for investment incentives, particularly for small firms, and a lessening of constraints such as the National Insurance surcharge.

The CBI's budget recommendations, expected next week, are also expected to urge a reduction in the surcharge which, it believes, could create up to 200,000 jobs. The employers' organization will also call for a £2,000m

Leading UK role in \$250m network

Satellites will link world's ships

By Clive Cookson, Technology Correspondent

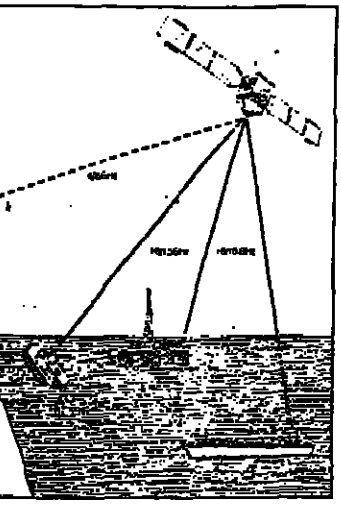
A \$250m satellite communications system comes into operation today which will provide fast, interference-free telephone, telex and data service to ships from ships around the world.

Britain will play a major role in the International Maritime Satellite Organization, known as Inmarsat, whose headquarters is in a new 21 storey tower in Vauxhall, south London. British Telecom has invested about £13m in the system, the largest share after the United States and Soviet Union.

British Aerospace was the prime contractor for two of three main satellites, which Inmarsat will lease from the European Space Agency.

The first, Marecs B will be put into orbit over the Pacific in the spring. The Indian Ocean will be served by circuits leased on one of the Intelsat-V satellites later this year.

The new organization will replace a much smaller American system called Maresat, which has provided



The new path via satellite of ship-to-shore messages

limited satellite communications for ships since 1976. Marchesa Maria Christina Marconi, widow of the wireless inventor sent the first maritime radio message from the Isle of Wight to the American liner St Paul in 1899, will inaugurate Inmarsat today. She will be sending a welcome from London to the thousand ships equipped for satellite communications.

Radio communications have been possible for ships



London Metal Exchange: heavy buying of tin.

Malaysia confirms talks on tin cartel

By Michael Prest

A close association between Malaysia and buyers who have pushed up the price of tin by more than £2,000 a tonne has been confirmed by sources in Kuala Lumpur.

Moreover, Datuk Musa Hitam, Malaysian deputy prime minister, said over the weekend that Malaysia, Thailand and Indonesia had been discussing setting up a tin cartel. Bolivia may also join the arrangement.

For the last six months, the London and Penang tin markets have been thrown into disarray by heavy buying, first of tin futures and more recently of spot tin. The purchasers are estimated to have spent £250m acquiring 50,000 tonnes of the metal. The London cash price of tin was £7,882.50 a tonne on Friday.

Sources in Kuala Lumpur say that the vehicle for the buying is a private company called Mamincio. This is an acronym for the Malaysian Mining Corporation, the country's main tin mining company, which is government-controlled. Both companies have Mr Abdul Rahim Aki as chairman, and executives are believed to have been seconded from MMC to Mamincio.

It is understood that mining interests from Malaysia, Indonesia and Thailand have met three times since last April, and trade sources in Kuala Lumpur say that these three men have orchestrated the tin buying.

Datuk Musa attacked the United States for "jumping" tin. The United States General Services Administration has been selling tin from its stockpile. This is one of the factors—alleged to be the cost of the support operation—which has prompted London tin dealers to ask how long those behind the buying can bear the cost.

The high cost of the operation has long given rise to suggestions that only a government or quasi-government organisation could afford it. Two theories are current in the Kuala Lumpur market. The first is that funds have come from the Malaysian state oil company, Petronas. The other is that some of the tin would be included as part of the Malaysia's foreign exchange reserves.

Oil is Malaysia's biggest earner of foreign exchange, but tin remains important. Malaysia is the world's largest tin producer, accounting for some 60 million tonnes out of world production of less than 200 million tonnes. Thailand and Indonesia produce about 30,000 tonnes each and Bolivia around 27,000. The industrial recession has caused demand for tin to decline, and a production surplus of 20,000 tonnes over consumption is expected. Market sources calculate that prices would be £2,000 a tonne less without the support operation.

Quinton Hazell was acquired after a tough battle and employs more than 7,000 people, but as profits have tumbled Burmah is alleged to have decided that it now lies outside its long term plans. But Burmah denied that jobs were at stake and said Quinton Hazell would continue to have the Burmah's support.

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Compensation argument reopens

By Ronald Pullen

The argument over the terms offered to Britain's aircraft and shipbuilding groups nationalized by the last Labour Government will be reopened in the next few weeks.

The European Community is now having to thrash out the delicate question of whether or not the compensation offered to companies was fair when the Labour Government decided to take the aircraft manufacturing and shipbuilding industries away from the private sector.

Last year several groups, including shipbuilders Harland and Wolff, Vickers, Scott Lithgow, Vickers and GEC decided to press their claim for unfair treatment in the Court of Human Rights in Strasbourg.

The British Government was asked for its "obser-

vations" on the claim several months ago. It had been hoped to give a reply to the Commission by the end of January but because of the complicated and difficult issues involved, as the Government claimed in the House of Commons last December, this has been delayed.

The Department of Industry is still preparing its reply, but it should be lodged with the Commission within the next few weeks.

Despite its statements while in Opposition that the compensation terms were grossly unfair, the Conservative Government has argued that it cannot now consider retrospective legislation.

All the groups involved have accepted some compensation—GEC and Vickers shared £95m for their stake in BAC, Yarrow accepted £6m for its shipbuilding interests, and Vickers took £14.5m for its shipbuilding interests.

But in accepting the terms, they gave warning to the Government that the 1977 Aircraft and Shipbuilding Act had undervalued the worth of their lost assets.

For the time being the petition is being heard by the European Commission which will report to the Council of Ministers. The final arbiter, if either side does not accept the Commission's mediation, will be the European Court of Human Rights.

Call for concerted attack on inflation

It has become "imperative" for industrial nations to break loose from the economic stagnation that has become a "poison to the world economy," according to Jacques de Larosiere, managing director of the International Monetary Fund (IMF).

He said, however, that the industrial nations experiencing high inflation, sluggish economic growth and rising unemployment cannot solve these problems by putting the fight against inflation in second place to job-creating measures and other actions.

"Any let-up in the fight against inflation would mean throwing away the progress that has been made so far in dealing with it," M de Larosiere said.

To boost demand before inflation has been beaten and supply conditions have been improved can only drive the roots of stagflation deeper," he added.

This appraisal of the world situation and what the industrial countries, in particular, need to do to break what he called the "stranglehold" of economic stagnation was contained in a speech at the European Management Forum in Davos, Switzerland.

Union set to test law in Croda bid

By Our Financial Staff

The Association of Scientific, Technical and Managerial Staffs, Mr Clive Jenkins's white collar union, has intervened in Burmah Oil's bitterly contested takeover bid for Croda International in a move which could have far reaching implications.

The union believes its move under the Transfer of Undertakings (Protection of Employment) Regulations 1981, which becomes law today, represents a big step in the development of industrial democracy.

The new regulations required that in the case of a takeover such as this an employer must consult with employees over possible redundancies. The union has 6,000 members at Croda, many in senior management, is demanding to know Burmah's plans.

Sir Alastair Down, chairman of Burmah, and Sir Freddie Wood, chairman of Croda, will today receive letters drawing their attention to the new legislation.

If the union does not get a satisfactory response, it will take its case to the Employment Appeal Tribunal of the High Court. Meanwhile, if Burmah manages to acquire 100 per cent of Croda, the union said that it would consider an injunction to prevent the deal.

"The whole ball-game of takeover battles will now be different," Mr Roger Lyons, national organizer of the Amalgamated Society of Institutional investors should not regard themselves as free agents in a takeover battle. The union would not take kindly to any institution supporting a bid without all the details.

Burmah said that it believed the union had misunderstood the legislation which gave employees the right to merely consult with their own employer. Burmah could not give blanket assurances to all Croda employees, but the company had no plans to close any part of Croda.

It denied the allegation made by Mr Lyons that Burmah had a poor track record and dismissed the union's reference to the supposedly planned disposal of its Quinton Hazell subsidiary. The car spares company was bought by Burmah about 10 years ago for about £7m and may now be sold for about half this amount.

Quinton Hazell was acquired after a tough battle and employs more than 7,000 people, but as profits have tumbled Burmah is alleged to have decided that it now lies outside its long term plans. But Burmah denied that jobs were at stake and said Quinton Hazell would continue to have the Burmah's support.

All the groups involved have accepted some compensation—GEC and Vickers shared £95m for their stake in BAC, Yarrow accepted £6m for its shipbuilding interests, and Vickers took £14.5m for its shipbuilding interests.

But in accepting the terms, they gave warning to the Government that the 1977 Aircraft and Shipbuilding Act had undervalued the worth of their lost assets.

For the time being the petition is being heard by the European Commission which will report to the Council of Ministers. The final arbiter, if either side does not accept the Commission's mediation, will be the European Court of Human Rights.

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Interest rates, set by the monetary and fiscal policies of the major industrial countries and "an improved mix of policies that would permit a fall of even one percentage point" in Eurocurrency market rates could result in a saving of \$2,000m in the external debt service costs paid by the non-oil developing nations.

"More generally the development prospects of so many countries in the Third World critically depend upon the success of the industrial countries in achieving economic adjustment, while keeping their markets open and thereby laying the basis for a strong and sustainable recovery of world trade."

While the developing countries also must undertake "sound" economic adjustments, he stressed that the industrial countries must not ignore the "international dimensions" when they frame their own economic policies.

ALUMINIUM

Overproduction hampers Invergordon sale hopes

The efforts to find a buyer for the Invergordon smelter, closed by British Aluminium a month ago, are taking place against a continuing slump in demand for aluminium and growing stocks.

The latest survey by the International Primary Aluminium Institute shows that the inventory of the world's producers jumped to 3 million tonnes at the end of November. That is more than a million tonnes more than a year ago and represents a £600m increase in the unsold stock.

The oversupply is increasing despite the fact that the companies have begun to cut back production. The figure for worldwide primary production in December, just released by the Institute, was 955,000 tonnes, compared to 1,081,000 tonnes in December 1980.

For an industry accustomed to sustained growth it is a severe change. But it takes production back only to the average level of 1978.

The production cuts are most dramatic in North America (down from 489,000 tonnes in December 1980 to 423,000 tonnes in December 1981) and in East Asia (down from 89,000 to 50,000 tonnes).

The Asian slump is a consequence of Japan's realization that it makes little sense to maintain a domestic aluminium industry with expensive imported energy.

Aluminium smelting is one of the most energy-intensive processes invented by man, and it makes sense only if very cheap electricity is available.

The spot price of aluminium on the London Metal Exchange has been around the £600 per tonne level for the past three months, compared with a peak above £900 two years ago. Producers are therefore having to offer customers big discounts on their official list prices, which are generally above £800.

The average production cost of aluminium is now about £700 per tonne (although the actual figure depends on local electricity costs).

Many producers are operating at a substantial loss. For example, Kaiser, one of the leading American producers reported a \$11m loss for the fourth quarter of 1981, with revenue down 11 per cent to \$700m.

Demand for aluminium has been falling everywhere over the past year, and the slump has been particularly sharp in Britain where the recession has pulled sales down by about a quarter. There is little sign of a strong upturn in the immediate future.

In the long run, the most promising growth areas are the aerospace industry and containers and packaging. Aluminium cans swept through the American soft drink market during the 1970s, and there is still room for substantial growth in this sector in Europe.

But the short and medium term prospects will make any potential purchasers of Invergordon drive an extremely hard bargain with the Government.

Electricity prices may need to be fixed below 1p per unit if the plant is to break even; British Aluminium had been paying as much as 1.7p per unit on its long term contract.

Clive Cookson

SALEM CASE

Stolen oil cargo judgment due

The Court of Appeal is expected to give judgment this week in the case of the Salem, the tanker scuttled two years ago by its owners to disguise the fact that they had stolen its \$56m cargo of oil and sold it to the South African Government.

The crew abandoned ship well-supplied with coffee and sandwiches. Their suitcases were packed, which aroused suspicion. To add to the mystery, Oxford Shipping, the shipowners, have now disappeared.

Shell International, the owners of the oil, has already accepted £30.5m (£16.3m) compensation from the Strategic Fuel Fund Association of South Africa.

But Shell is suing Mr Carl Anthony Vaughan Gibbs, Lloyd's underwriter for the balance of the cargo value, which it claims is covered under its 200-year-old standard shipping insurance policy.

The main issue before the Court of Appeal is the scope of a clause in the Lloyd's policy which insures cargo against what it calls "takings at sea".

The insurers have refused to pay up because, they say, the "taking" was not at sea because the plan to steal the oil was completed before it was loaded on the tanker in Kuwait, and the cargo was stolen before the Salem ever set sail.

Shell disputes this, countering that something is stolen only when it is physically taken, not when the thief decides he is going to take it. The cargo was not therefore taken until the tanker was diverted from its course to discharge illegally at Durban.

Shell argues that the tanker was taken at sea and that this eventuality is covered by the insurance policy. Its counsel cited the 1981 case of *Grundy v Fulton*, where the judge held that a lorry driver had stolen a load of aluminium when he delivered it to a receiver of stolen goods, and not when he loaded it in his employers' yard with the intention of stealing it.

The insurance company won the case because the goods were insured against theft on the owner's premises but not while in transit.

A second issue is whether or not the Lloyd's policy covers dishonest acts by the shipowner or only by outsiders. The House of Lords decision in the *Mandarin Star* case of 1969 overturned insurance custom and practice of many years in holding that the cover includes the shipowner.

Counsel for Lloyd's claimed the case was wrongly decided. Shell's counsel argues that it has been followed for the last 13 years.

Peter Norman

STEEL

Merger approval awaited

The owners of West Germany's second and third largest steel producers are expected to approve plans for their eventual merger later this week.

The creation of a new company, Ruhrstahl, from the steel-making subsidiary of the Krupp group and the Hoesch concern of Dortmund will also lead to the break up of the Dutch-West German steel group, continental Europe's last transnational company.

The supervisory boards of Krupp-Stahl and Hoesch Werke will meet on Thursday in Bochum and the agreement with the aim of agreeing the principles for further detailed negotiations on the merger.

Krupp and Hoesch have incurred heavy losses because of the crises in the European steel industry and began discussing ways of cooperating more than a year ago. But their forthcoming marriage owes much to pressure from the federal government in Bonn and the state government of North Rhine-Westphalia, which have been refusing to aid the Ruhr steel industry until it produces clear evidence that it is prepared to help itself.

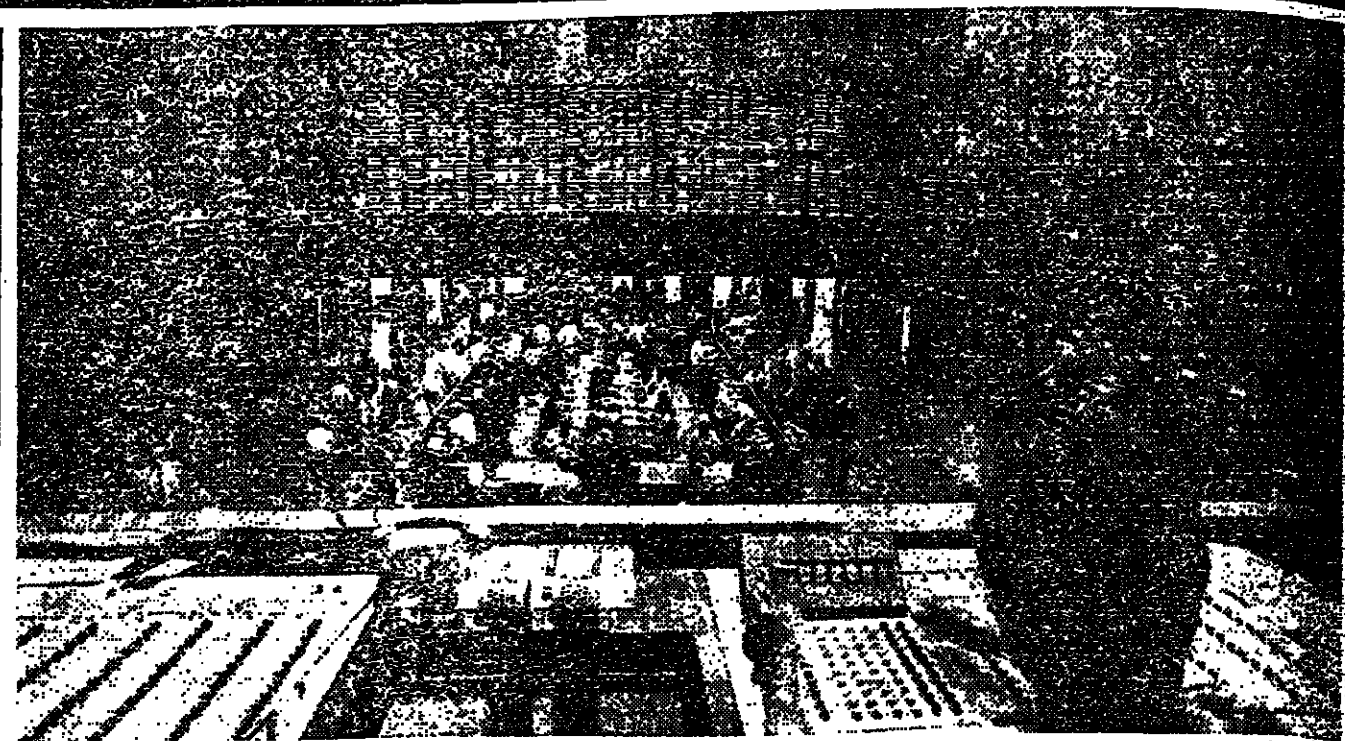
If all goes according to plan, Ruhrstahl will be incorporated some time later this year. The final shape of the company is still unclear. The Bonn Government, which has been impatiently watching the merger discussions from the sidelines, has still to be presented with the corporate strategy that it says is necessary to determine the state aid that the new company will be given.

On the basis of past performance figures, Ruhrstahl could produce more than 11 million tonnes of steel a year, could perhaps count on sales of DM 14,000m (£3,200m) and would employ more than 60,000 people. But, as the logic of the merger is to rationalize production and return the companies to profitability, big changes are expected in the structure, capacities and employment levels of the new concern.

Hoesch's existing crude steel-making capacity in Dortmund includes obsolete and uneconomic Siemens-Martin equipment. However, Hoesch is strong in sheet steel production, while Krupp has invested heavily over the past decade in building up its quality and special steel output.

The merger of the two concerns is made more difficult in that a divorce has to be arranged between Hoesch and Hoesgovens of Holland, its existing partner in the Estel group.

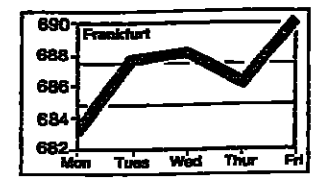
Peter Norman



Frankfurt Stock Exchange: long shadow cast by American monetary policy

MARKETS ROUND-UP

Cautious rise in W German share prices



West German share prices nudged higher last week with investors torn between staying away from the market for fear of increases in American interest rate and making selected blue chip purchases on the strength of a marked improvement in the fundamentals.

The long shadow cast by American monetary policy meant that the half point cut in special Lombard rate 10 days ago and last week's record surplus on the West German current account in December failed to translate into a sustained upwards movement. But the Commerzbank index finished the week at a new high of 690.4 for the year to show a useful gain over the low of 666.4 recorded at the turn of the year but well below the 1981/2 peak of 749.

Foreign investors and German investment funds emerged as selective buyers of high quality shares in motors, engineering and electricals. Daimler was strong on hopes of a better year for the motor industry in 1982 while Siemens held steady reflecting a growing belief that the share is cheap at around 211 despite a 19 per cent drop in net profit last year.

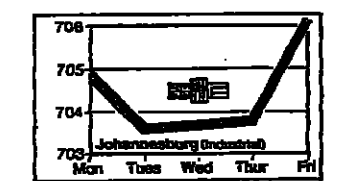
Concern that United States interest rates might move higher had a negative impact on the Bond market where prices moved narrowly over the week.

For the moment, the formula of "bonds first then shares", which was on the lips of practically every investment adviser at Christ-

mas, has given way to a clear preference for shares with foreign investors hoping for gains from an appreciation of the mark and an increase in price.

Johannesburg

Coal review



A reassessment of coal share stocks is likely on the Johannesburg Stock Exchange this week after an announcement that the pithead price is to go up by 15 per cent from today.

Recently, the coal board has been depressed because of reports of over-production, stockpiling and fears that the European recession would hit exports. Domestic consumers have now been warned to stockpile themselves ahead of the winter.

One share that should prove interesting ahead of results this week is Kankhym in the Gencor (formerly General Mining and Union Corporation) group. Although it is listed in the agricultural sector, it has a big interest in Gencor's coal prospects.

A number of interesting reports are due this week. The most eagerly awaited De Beers while still digesting Central Selling Organization results. Although the market feels that the results are bound to be disappointing, the shares are still holding firm.

GFSA's interim is due and the market expects this will

be down too, but is taking the line that the quarterly results were not so bad.

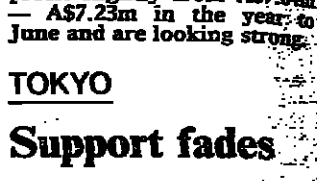
Both Sentrust and UC Investments, also due to report, have fairly large gold holdings although UC Investments has to some extent diversified out of gold and gone heavily into Impala Platinum, which some market sources consider to be just as bad.

Highveld Steel and Vanadium, which is in the Anglo American group, has proved to be a good growth stock over the years although it is being adversely affected by the overseas recession. Local demand for steel, however, remains high.

Interest is expected to remain high in the stores sector, where Greatmans quoted in London, and John Orr have registered some quite wide price movements over the past week. Greatmans reported poor first half results at the beginning of last week and dropped 150 cents. On Friday it put on 200 cents in heavy trading.

Australia

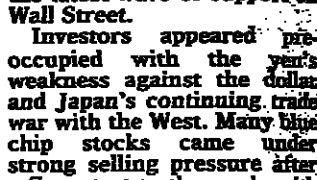
One to watch



One of the companies to watch is Associated Pulp and Paper Mills, the paper-making giant which is at the top of those expected to announce half yearly profits this week. The group increased its 1980-81 earnings 40 per cent.

Sir William Vines chairman said at November's annual

Support fades



Tokyo's strong run showed signs of abating last week with many analysts surprised at its failure to respond to the latest wave of support on Wall Street.

Investors appeared preoccupied with the year's weakness against the dollar and Japan's continuing trade war with the West. Many blue chip stocks came under strong selling pressure after a first start to a new week with interest diverted to second liners.

Nevertheless, the latest bout of selling will probably be short lived as the influx of foreign investors keen on buying many underperforming leading industrials grows.

Overseas investors on about 6 per cent of the Japanese market, a rise of 2 per cent during 1981. The figure is expected to grow substantially during 1982.

This should encourage many of Japan's domestic institutions.

COMMODITIES

Mixed blessings for boom prophets

Commodity trading, like other financial diversions, is subject to spasmodic enthusiasms, and none has been greeted with as much excitement in recent years as so-called strategic materials. But at last, after being bombarded with a great deal of questionable advice, President Reagan's Administration is said to be on the verge of important policy decisions about strategic metals.

Immediately one should enter a caveat. If the stories leaking from Washington are even partially true, the Administration's policy will be a mixed blessing for prophets of the super metals boom. The Government is putting what it sees as national interest ahead of private profit, so the combination of the two devoutly wished by strategic metal enthusiasts, may not occur.

It appears that the Administration will announce in the next few months a twofold approach: Congress will be asked to approve bigger stockpiles of materials judged necessary to the security of the nation; and at the same time legislators will be presented with proposals designed to raise domestic production of metals such as chromium, platinum, cobalt and titanium.

The first is good news for those with an interest in strategic metals; the second may be rather bad news. Investors more properly called speculators in these materials have been urging the American Government for several years to accumulate stockpiles, thereby hoping to generate a price squeeze which hitherto this diverse category of commodities has obstinately refused to generate itself.

But if the intention is to build up stockpiles from domestic mining — surely sensible if possible — the impact on prices could be quite the opposite of what investors wanted.

One difficulty facing the Administration is the cost. Even if it has been conspicuously unsuccessful to date, President Reagan's policy is to cut government spending. But according to Washington sources, a programme for stockpiling strategic metals could cost as much as \$1,500m (£802m) much of it within the present Administration's term of office.

Congress agreed last July to allow the expenditure of \$500m on purchase of strategic minerals during the year to the end of this September.

The irony is that the Government is taking up some of the proposals for relaxing environmental and other restrictions on mining and speeding planning consent, which have been promoted by just the people who favoured strategic mineral stockpiles.

A metals boom could still happen, but on the present showing it will owe little to lobbying in Washington.

Michael Priest

CAPITAL MARKETS

Fed unlikely to win battle of the bulge

From Maxwell Newton, New York, Jan 31

A small decline of \$600m (£324m) in the money supply (M-1) has done nothing to ease fears in the money markets that the Federal Reserve will not be able to reverse the \$20,000m bulge of the last 12 weeks.

Bonds will now tend to remain weak and there is an increasing likelihood of a rise in the prime rate from its present level of 17.5 per cent. The 90-day certificates of deposit rate jumped from 11.6 per cent in the week ending December 4 when the last drop in the prime occurred to an average of more than 14 per cent last week.

The downward trend of the economy is, however, more likely to be arrested as the great money explosion since the end of October works to arrest the decline in nominal gross national product (gnp).

This added buoyancy, heavily affected by the rise in gnp which has been going up at an annual rate of more than 20 per cent since the last week of October, can be seen in the big drop in initial unemployment claims last week and in the lift in the

index of leading indicators. The strength of gnp may also have had something to do with the short sharp recovery in stock prices on Thursday and Friday, although most opinion on Wall Street believes there must be a big "bear correction" before stocks can be expected to resume a strong upward march.

The hint of spring in the air imparted by the money supply boom may still turn back into winter if Treasury officials such as Mr Bernad Sprinkel and Mr Donald Regan have their way.

They have also enlisted the President in an outright attack on the Federal Reserve and on Mr Paul Volcker, chairman of the Fed. The officials are outraged by what has been done and they have said so in as many words in public.

They want Mr Volcker to resign but in the meantime they have certainly damned him with faint praise. Mr Regan said after testimony to the Joint Economic Committee of Congress last week, in which he strongly attacked the Fed's policies and practices, that he was not asking for Volcker's head. "The man is trying," he said.

When the Fed changed back on the funds rate last Monday, it shot up to over 14 per cent and has averaged 13.96 per cent for the week compared with 12.56 per cent the previous week. This rise was an indication that the Fed was ceasing to push out excess reserves.

Other rates rose in sympathy with the funds rate. Three month Treasury bills rose to 12.59 per cent; last week from 12.36 per cent the previous week. Certificates of deposit went up from 13.50 per cent to 14.18 per cent.

These initial adjustments are not unusual after the abandonment by the Federal Reserve of an unrealistic interest rate target. If the Fed continues this newly relaxed attitude to the funds rate there is the prospect of some moderation in money growth.

Eurobond prices (yields and premiums)

Country	Yield	Premium
Belgium	13.78	0.22
France	13.78	0.22
Germany	13.78	0.22
Italy	13.78	0.22
Netherlands	13.78	0.22
Spain	13.78	0.22
Switzerland	13.78	0.22
UK	13.78	0.22
US	13.78	0.22

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BUSINESS NEWS/FOCUS AND COMMENT

● Welcome aboard Inter-City People, now standing in column one. Today and each Monday from now, this new column will call at people and places which for the moment you can't be sure of getting a train to, to see for yourself.....

INTER-CITY PEOPLE

CUMBRIA

Survival of the fittest

When Nick Steven left the Army as a captain in the Royal Signals two and a half years ago he used his guile to set up Survival Aids, a manufacturer and supplier of survival equipment and rations at Moreland, near Penrith.

Steven says that Survival Aids has survived the last two months of snow, rail strikes and business collapse without recourse to any of the emergency lighting, heating or eating in the Aids catalogue.

He was snowed in and without power in his home three miles away on Shap Fell and had to walk to work. Luckily, the power stayed on at the Aids plant (there were 42 degrees of frost outside), most of the workers live in Moreland itself, and most goods are sent by road rather than rail.

"My own biggest survival aid," he told me "is a first class computerized accounts and management information system."

Half of the mail order survival kits go to British soldiers who Steven says have to buy their own, because survival aids may only be issued to special units.

SWINDON

Kerbside manner

Jeffrey Cullis is giving a new meaning to the phrase "spare part surgery" with a new project called Endeavour Industries.

Dr Cullis, a Swindon general practitioner, is extending his practice to include the treatment of clapped out BL Minis to provide training and jobs for the disabled.

"I looked around for ideas which would involve raw materials that were not in demand, and which could result in a finished product for sale. I saw heaps of old cars lying around, and thought why not try the recycling business."

Endeavour Industries will provide work for four disabled people at first, supervised by three instructors. Premises have been offered locally, start-up cash is being raised by a trust fund and people are already offering Minis which have failed the MOT.

● Potholing is something which neither Hampshire or Herefordshire. However, John Campbell, who recently retired as consul-general in Italy and settled in Leominster, is running a business of his own, Potholes International, which is licensing the name from Tony Bayles's Alton, Hampshire firm of Potholes International. This sells to licensees a quick-hardening substance called Potholing for repairing roads, car-parks and concrete floors.

BIRMINGHAM

Light fantastic

Rachel Waterhouse, who succeeds Christopher Zealley as chairman of the Consumers' Association, says she only joined the consumer movement because "terrible things always seemed to happen to me."

Mrs Waterhouse's present Christmas card from husband John, a director of a cancer research unit at Birmingham University, was a light meter.

When pointed at a dazzling snow drift, the meter suggested that the correct exposure with high-speed film would be about an hour. "They replaced it pretty promptly," says the Consumers' Association chairperson.

Ross Davies

NEW APPOINTMENTS

Mr Otto Norland, chairman of Alcoa of Great Britain has been elected president of the Aluminium Federation for 1982. Mr Norland has served on the Federation's Council and International Relations Committee since 1979, and was vice president in 1981. The vice president of the Aluminium Federation for 1982 will be Mr Gerald Howard, managing director of HWA Forgings.

Mr Alan F. Wilkinson has been appointed as managing director of G & M Power Plant. Mr John Miller, chairman and managing director of URM Merchants has been appointed a non-executive director of A. J. Gooding Group.

For the first time, Britain's clearing banks are being forced to fight for their profits.

In the Fifties and Sixties, they faced little competition and were content to expand by opening new branches. The last decade saw the start of competition from the building societies for deposits. But the banks were still able to raise profits from the Barber boom of 1971-73 and thereafter from the endowment effect of unprecedently high interest rates.

Now there are serious challenges to the banks' pre-eminence in the clearing banks in London, the building societies (although bankers are fighting back), National Savings and National Giro. Major restructurings of the United Kingdom banking scene now looks out of the question with the Monopolies Commission's report on the rival bids for Royal Bank of Scotland considered by many bankers to be an historical landmark.

"The Governor has won a comprehensive victory," the Monopolies Commission's veto of the bids for the Royal Bank of Scotland means the clearers are safe from foreign predators. Thus a senior banker last week, reflecting on the Great Battle of the Hongkong and Shanghai Banking Corporation at which Mr Gordon Richardson defeated the Whitehall free traders.

But others are less sanguine. Foreign bankers have spent the last two weeks searching the Monopolies Commission report with a fine toothcomb to see if it is still possible to buy a British Bank. At Citibank, for example, the view is that while a bid for Lloyds, the smallest of the Big Four clearing banks, is probably ruled out, the acquisition of perhaps a finance house remains possible.

On the assumption that the four London clearing banks will retain their independence and that there will be some tidying up of share stakes among the share brethren like Grindlays, how is the pattern of British banking likely to develop over the next five years or so?

First, the growing challenge of the 400 foreign banks in London must be met and rolled back. As the table shows over a fifth of all lending to manufacturing industry derives from principally American banks who have led the way in providing medium and long-term finance. British banks are now being forced to follow suit and also to lend on the basis of assets as opposed to the company's cash flow. Traditions are being whittled away.

Second, the battle between the banks and the building societies will intensify on two fronts. Over the past 18 months, the clearing banks have grabbed a 15 per cent share of the house mortgage market and are making particular inroads at the upper-price brackets. Despite the recent note of caution sounded by the Bank of England, the clearers are heading the Government's wish to extend competition on the provision of finance for house purchase. Bankers

are now pressing the Treasury for more net tax relief on mortgages.

Additionally, the banks are mounting a campaign to win more depositors from the building societies, which account for 38 per cent of all deposits within financial institutions. There will be more savings schemes, extensively advertised.

Third, all the clearers now have their consumer credit subsidiaries in place following Lloyds topping up its interest in London and Scottish to 60.7 per cent in March last year. Consumer finance provides cream when more traditional banking profits are on a downswing, but there is intense competition from the Americans. Citibank employs 2,300 in Britain and has 41 branches attempting

to attract not only loan business but savers' deposits.

Fourth, while it is fair to assume the major expansion in America is now over, there are still opportunities to buy small or medium-sized banks in Europe, particularly in West Germany, Holland and Switzerland. More branches will be opened in key international centres with export finance probably the most lucrative growth area.

However, while the London-based banks face these challenges together, the fifth British clearer, the Royal Bank of Scotland, is presented with special problems following the blocking of the proposed merger with Standard Chartered. The RBS board is now studying its contingency plans and it is

thought it has broadly five possible options.

RBS might look to a medium-sized bank in America in its desire for an international presence. An agreed bid at the right price for a bank in Texas, would reduce dependence on an over-banked home-base and build up a solid dollar deposit base. Corporate finance facilities for Texans who want to invest in the North Sea would be an added bonus.

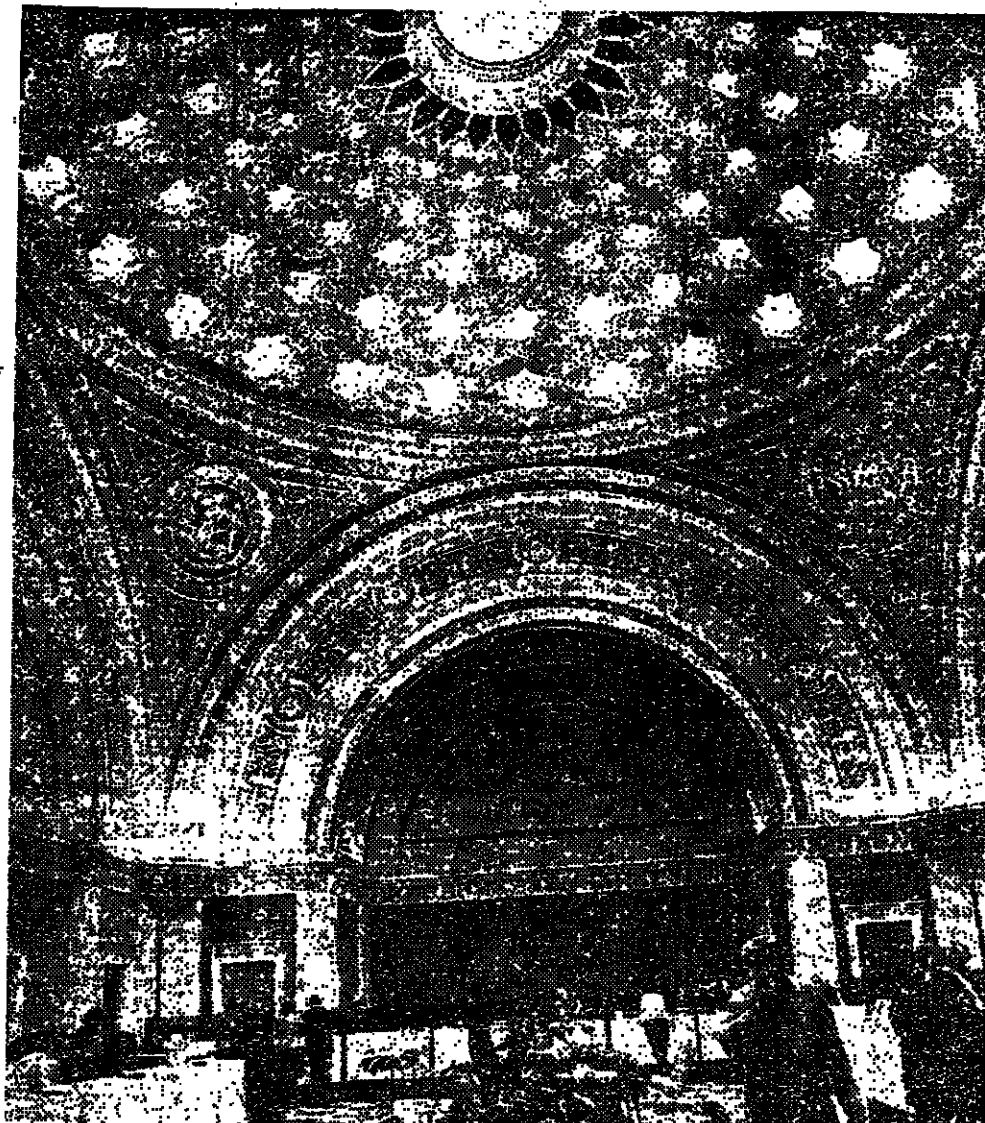
A merger with Grindlays Bank is the subject of much speculation. Grindlays is a smaller version of Standard Chartered, although the sale of the Dao Heng bank in Hongkong for £70m earlier this month, makes it less attractive to a bidder, except, ironically to Standard Char-

Big challenges ahead for Britain's banks

● Kevin Page examines new sources of competition for the clearers and assesses how they will be able to cope with them.

UK MARKET SHARES HELD BY FOREIGN BANKS	
Loans to manufacturing industry in sterling	22%
Other loans to productive industries	9.0%
Loans in sterling to hire purchase, leasing and property companies	31%
Loans to service industries	20.9%
Loans to persons	4.9%
Loans for house purchases	9.1%
Consumer credit loans	3.2%
Share of total UK banking market	17.6%

Source: Financial Statistics May-November 1981.



The Royal Bank of Scotland in Edinburgh — A temple to British banking confidence. But did the Monopolies Commission's veto on two bids for the company necessarily herald an embargo on foreign intervention in British banking?

are now pressing the Treasury for more net tax relief on mortgages.

Additionally, the banks are mounting a campaign to win more depositors from the building societies, which account for 38 per cent of all deposits within financial institutions. There will be more savings schemes, extensively advertised.

Third, all the clearers now have their consumer credit subsidiaries in place following Lloyds topping up its interest in London and Scottish to 60.7 per cent in March last year. Consumer finance provides cream when more traditional banking profits are on a downswing, but there is intense competition from the Americans. Citibank employs 2,300 in Britain and has 41 branches attempting

to attract not only loan business but savers' deposits.

Fourth, while it is fair to assume the major expansion in America is now over, there are still opportunities to buy small or medium-sized banks in Europe, particularly in West Germany, Holland and Switzerland. More branches will be opened in key international centres with export finance probably the most lucrative growth area.

However, while the London-based banks face these challenges together, the fifth British clearer, the Royal Bank of Scotland, is presented with special problems following the blocking of the proposed merger with Standard Chartered. The RBS board is now studying its contingency plans and it is

thought it has broadly five possible options.

RBS might look to a medium-sized bank in America in its desire for an international presence. An agreed bid at the right price for a bank in Texas, would reduce dependence on an over-banked home-base and build up a solid dollar deposit base. Corporate finance facilities for Texans who want to invest in the North Sea would be an added bonus.

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tered and Hongkong and Shanghai.

But despite large losses in Uganda, unknown debt provisions on lending to Zaire and Poland and unquantified tax losses, Grindlays is the largest foreign bank in India and a force in both the Middle East and black Africa. A merger with RBS would give it the British deposit base which is lacking, uniquely among international banks.

Insiders predict the future of Grindlays, owned jointly by Lloyds and Citibank, will be clarified after years of uncertainty, following the publication of the 1981 report in March.

The third possible route for RBS would be Europe, perhaps by the purchase of a small Dutch or German bank, or alternatively through opening offices in major cities.

However this course might lack the sex appeal after the collapse of the Standard Chartered dream. A fourth option entails RBS concentrating upon the expansion of the English partner, Williams and Glyn which has 2.7 per cent of the British retail market. This course would be deeply ironic since the Monopolies Commission report stressed the Scottish factor as the main reason for vetoing both bids for RBS.

But the report did note that the Scottish arm held 20 per cent of its deposits in London and with W & G contributing just over half of group profits, expansion south of the border was probably inevitable.

Lastly, and also ironic, there is speculation about a merger between RBS and the Bank of Scotland. This would create an undoubted monopoly of banking in Scotland since a combined group would account for around 80 per cent of Scottish deposits.

A merger would also be strongly opposed by the very independently-minded Bank of Scotland. But such a deal would create a strong Scottish banking force which the Monopolies Commission report said would be weakened by RBS merging with either Standard Chartered or the Hongkong bank.

Any deal struck by RBS would almost certainly be preceded by the sale of its 39.3 per cent stake in Lloyds.

There is also conjecture that Grindlays might be sold to RBS as part of a deal by which Citibank buys Williams and Glyn.

Although the stock market enjoys this kind of rumour from time to time, the Governor's victory over the Hongkong bank makes it very unlikely.

So the key to the next five years in British banking appears to be increasing competition, with the building societies and government savings schemes, which foreign banks and with each other. The hope is that without the stimulus which would have been given to the industry had either Hongkong and Shanghai or Standard Chartered been allowed to buy RBS Group, there will be sufficient competition for savings, deposits and long-term loans to manufacturing industry, to create a more efficient and sophisticated financial base which is ready to fund economic expansion.

Meanwhile, despite a statement by Mr Makwarimba that there has been "tremendous progress" with the mergers, negotiations have become bogged down in a number of areas. The long-established Mineworkers of Zimbabwe, which is multiracial and is accepted as being among the most effective labour bodies in the country, is firmly resisting overtures to unite with the recently-formed Zimbabwe Mineworkers' Union.

Negotiations between unions representing farmers and postal workers also appear to have stalled although two graphics bodies have agreed to merge.

There has been even less progress on putting legislation before parliament to replace the discriminatory Industrial Conciliation Act.

The first draft of the proposed law combined Marxist phraseology with the exclusive disputes procedure common in the United States. It was passed to the unions for comment midway through last year and they rejected it outright.

The Government has said that it is committed to the principle of collective bargaining and the second draft, being prepared at present, should outline procedures for strike action.

Until the act is amended the provision remains for the Government to arrest workers who defy orders to return to work. Teachers and nurses were briefly detained in October under emergency powers which have been in force since UDI — and were

further extended this month — although the present authorities stated that they would not resort to prevent industrial action.

Earlier this month, railway workers were arrested and brought to court under other legislation which forbids industrial action by workers in strategic sectors.

Mr Brian Fox, an official of the Association of Scientific, Technical and Managerial Staffs in Britain, who was here for some months to advise the ZCTU while studying labour affairs, said: "It is a very interesting and important bit, and although it is a confused scene in many respects there is a lot more order than there has ever been before. But there remains a crying need for new labour legislation."

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Business Editor

Markets look for higher ground

Optimism is infectious on occasions, and it certainly seemed to be last week. The City's hard-liners had little trouble carrying the "wets" with them in Thursday's consultation over Budget strategy, presumably on the grounds that the economy is starting to look a little rosier each day. And in the City, a sharp upward flip on Wall Street on Thursday immediately sent the FT 30 share index climbing to within three per cent of last spring's all-time high.

Through January as a whole the FT index rose by almost a tenth. So the question now is whether there is enough momentum to carry it through any immediate overhead resistance and allow it to break significantly on to higher ground.

The City would certainly love to think that it is within a matter of weeks of getting into a new ball game with the index in the low 600s, and on past experience such quantum leaps tend to happen rather faster than one expects.

Certainly, the London equity market has a number of political influences running in its favour at the moment. The authorities would dearly love to see domestic interest rates progressively reduced; the outlook for corporate profits, both this year and next, is bright; rights issues are coming thick and fast but the prospect becomes rather less daunting if one assumes that most fund managers have now completed their major overseas buying spree; and the political background, though still far from secure as far as City interests go, looks rather less fearsome than six months ago.

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that came out late last Friday. The immediate reaction in late New York trading was to push the interest rate upwards again. Will there be a follow-through today, or will the market decide to go along with the Federal view that all the figures at the moment simply add up to a short term hump?

What, moreover, will markets learn this week of tomorrow's meeting of the Fed's open market committee? When the committee reviews the 1982 targets there is no expectation that it will recommend any relaxation of the relatively tight M1 target. But there was some speculation last week that it might achieve some valuable manoeuvre by basing the starting point for 1982, not on the actual outcome last year — an undershoot — but on the point the money supply would have reached in the final quarter had it come out in the middle of last year's target range.

A little soothing, a little sleight of hand maybe; it all gives some ground for hope. But at the end of it all, the markets know that the money figures need to start coming right fairly soon if cautious optimism is not to be punctured.

For London stockmarkets, then, unknown factor number one is what happens in America. But there is a second unknown too, and that is how far British markets can move independently of the United States.

If American rates do come down, then British rates certainly will as well, possibly quite sharply as the spring progresses. That would be excellent news for both gilts and equities — leaving the midsummer for talk as to whether we were in a new long-term uptrend, or merely destined to see a repeat of 1972 with unemployment and share prices approaching their peak simultaneously.

Perks

Salutory lesson

The public image of the British boardroom has not been at its best recently with well-publicized rows over golden handshakes and what can loosely be called executive benefits.

As far as the latter go, it is not always easy for the outsider to be able to distinguish between the cosy boardroom set-up in which directors can use their positions to make their lives agreeably comfortable, and the multifaceted remuneration package that may be genuinely essential to recruit or retain key executives.

Moreover, the issue tends to be further blurred by the fact that whatever may appear as rather extravagant benefits, are very often no more than tax-efficient ways of making up total remuneration. In these cases public scorn is often misdirected, and would be far better aimed in the direction of governments that frame the tax laws.

But that does not mean that the boardroom is automatically off the hook. Directors serve a number of interests as well as their own, not least those of their employees and shareholders. Executive benefits, perks, remuneration packages — whatever you will, need to be formulated with the interests of the company as a whole, as well as of the recipient executive in mind, particularly when it comes to large capital raises.

One cannot, and would not want to legislate on how boardrooms should behave in these matters. But managements need to be reminded of their broader responsibilities from time to time. Where shareholders have to vote on such matters they may not always make the wisest decisions, but the fact that they occasionally say no, must be thoroughly salutary.

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'000's		Last	Week	Div	%	Actual	Taxed
1,224	ABT Rd 10% CULS	123	+2	10.0	8.1	—	—
4,052	Airsprung Group	70	+1	4.7	6.7	11.1	15.4
1,125	Armitage & Rhodes	45	-1	4.3	9.6	3.8	8.5
12,526	Bardon Hill	205	+3	9.7	4.7	10.0	12.1
6,268	Deborah Services	81	-1	6.0	7.4	4.0	7.6
4,143	Frank Horsell	130	+1	6.4	4.9	11.7	24.1
11,268	Frederick Parker	78	+3	1.7	2.2	33.9	—
923	George Blair	50	+1	—	—	—	—
3,858	IPC	95	+1	7.3	7.7	6.8	10.3
2,520	Isis Conv Pref	105	—	15.7	15.0	—	—
2,494	Jackson Group	95	-1	7.0	7.4	3.0	6.7
15,596	James Burroughs	113	-1	8.7	7.7	8.2	10.4
2,570	Robert Jenkins	252	-1	31.3	12.4	3.5	8.9
1,680	Scruttons "A"	56	+1	5.3	9.5	8.6	8.0
4,052	Torday & Carlisle	166	-1	10.7	6.4	5.3	9.9
2,835	Twinklford Ord	134	+4	—	—	—	—
2,075	Twinklford 15% ULS	71	+1	15.0	19.7	—	—
4,120	Uniflock Holdings	27	-2	3.0	11.1	4.8	8.2
9,506	Walter Alexander	75	—	6.4	8.5	4.9	8.7
5,083	W. S. Feates	218	+2	13.1	6.0	4.1	8.4

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Boxing



A world giant: Benitez 10ft tall after victory

Benitez snuffs out the Duran flame

Las Vegas, Jan. 31.—Roberto Benitez, the redoubtable Panamanian, spoke guardedly of raising after failing in his attempt to win a third world title here last night. Duran, aged 30, a former holder of the lightweight and welterweight titles, was out-pointed by the Puerto Rican Wilfredo Benitez as he attempted to lift the World Boxing Council (WBC) light-middleweight crown. Later, Duran, a little off-balance in answering questions about possible retirement, "I don't think I should continue fighting," he said. He accepted that Benitez deserved his unanimous points win. Hal Miller had Benitez win 142-142. Dave Moretti gave it to the champion 144-141 and the third judge Lou Tabat scored it 145-144.

The turning point came midway through the seventh round when the champion fought his way off the ropes and landed a flurry of punches cut Duran over his left eye. The rest of the way it was all Benitez, the 23-year-old champion lasting Duran to the ropes where he repeatedly punished him with a meeting combination.

Duran, who was just too much for Benitez, was just too much for Benitez. He came back on several occasions with right-hand leads and on several occasions with left hooks. He also scored with jarring jabs and mixed his attack to the body as well as to the head.

Inside, the 23-year-old Benitez was able to tie the Duran up and the Panamanian even though he was a round and a half heavier at 153lb was unable to bull him into the ropes. Benitez often went for the ropes on his own and there outpunched Duran.

Most of the final round was spent in a neutral corner where the two went toe-to-toe with Benitez holding the upper hand. On a couple of occasions, Duran backed away and Benitez waved to him to come back in. He also winked at the referee once.

Before the fight, Duran had said, "I've fought faster and better boxers. I've fought better

hitters than Benitez. But he wasn't better than Benitez when he had to be. He's going to win everything he has going to win. Duran did, but it wasn't enough to earn him a victory, which he hoped would lead to a rematch with Leonard and a chance to wipe out the disgrace of his 1980 loss in New Orleans.

Duran fought hard, but the fire that made him famous was missing from his performance.

He charged, but the quickness wasn't there and often he seemed befuddled. Benitez not only had the reach advantage but seemed to hit harder.

Duran collected \$300,000 for his night's work compared with \$100,000 earned by Benitez, who was winning for the 43rd time in 45 contests—Reuter and AP.

Technical victory 38.—

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Schmidt derides reports of health trouble

From Patricia Clough, Bonn, Jan 31

Herr Helmut Schmidt, the West German Chancellor, laughed and chatted far into the night at the Hamburg press ball last night while the country was buzzing with reports that he had collapsed, and warnings that he might resign.

"They're talking nonsense", he retorted when asked about press reports that he had been taken ill at the Lower Saxony Social Democrat Party Congress in Hanover on Saturday.

The Chancellor, who had a pace-maker inserted in October after recurrent heart trouble, suddenly walked out of the congress shortly after making a 90-minute speech, his face bright red and covered with beads of sweat.

After a 15-minute rest and a drink of water he returned, apparently recovered. The Government press office said later that he had been suffering from cramp—they would not say where—which had gone away of its own accord.

Given the Chancellor's, and therefore his spokesmen's, tendency to concealer, down any signs of ill health, journalists now take such remarks with a pinch of salt. But the Chancellor, who has appeared fitter than at any time since his operation, proceeded to play the game of hide-and-seek with himself at the annual press ball in his native city.

He did not dance, but talked animatedly for several hours to foreign and German guests. Meanwhile, behind-the-scenes contacts were going on this week-end, to soften his threat, reported by a close colleague on Friday, that he would resign if the Social Democrat-Free Democrat coalition parties failed to agree to a plan to finance an urgently needed unemployment scheme. Herr Schmidt is insisting on a solution in time for the cabinet meeting on Wednesday.

The Chancellor made it clear at the local party congress in Hanover that he was not yearning to step down before the current legislature ends in 1984, but that disagreements and dissent could make his job impossible.

"I don't want to leave the ship", he said, "but one cannot go on indefinitely steering a ship with 27 or 30 would-be helmsmen."

His threat—or warning, as his staff prefer to call it—was clearly not as serious and irrevocable as his insistence that he will go if the SPD withdraws its support from Nato's deployment-and-negotiate missile decision, which is a fundamental pillar of his security policy.

The situation, with leaders of the two parties still completely at odds about where the money for the scheme is to come from, is being treated extremely seriously here. Herr Herbert Wehner, the SPD Bundestag floor leader, predicted that if a solution were not found, the coalition would break up in the next few weeks. Frandt, behind-the-scenes contacts were going on this week-end.

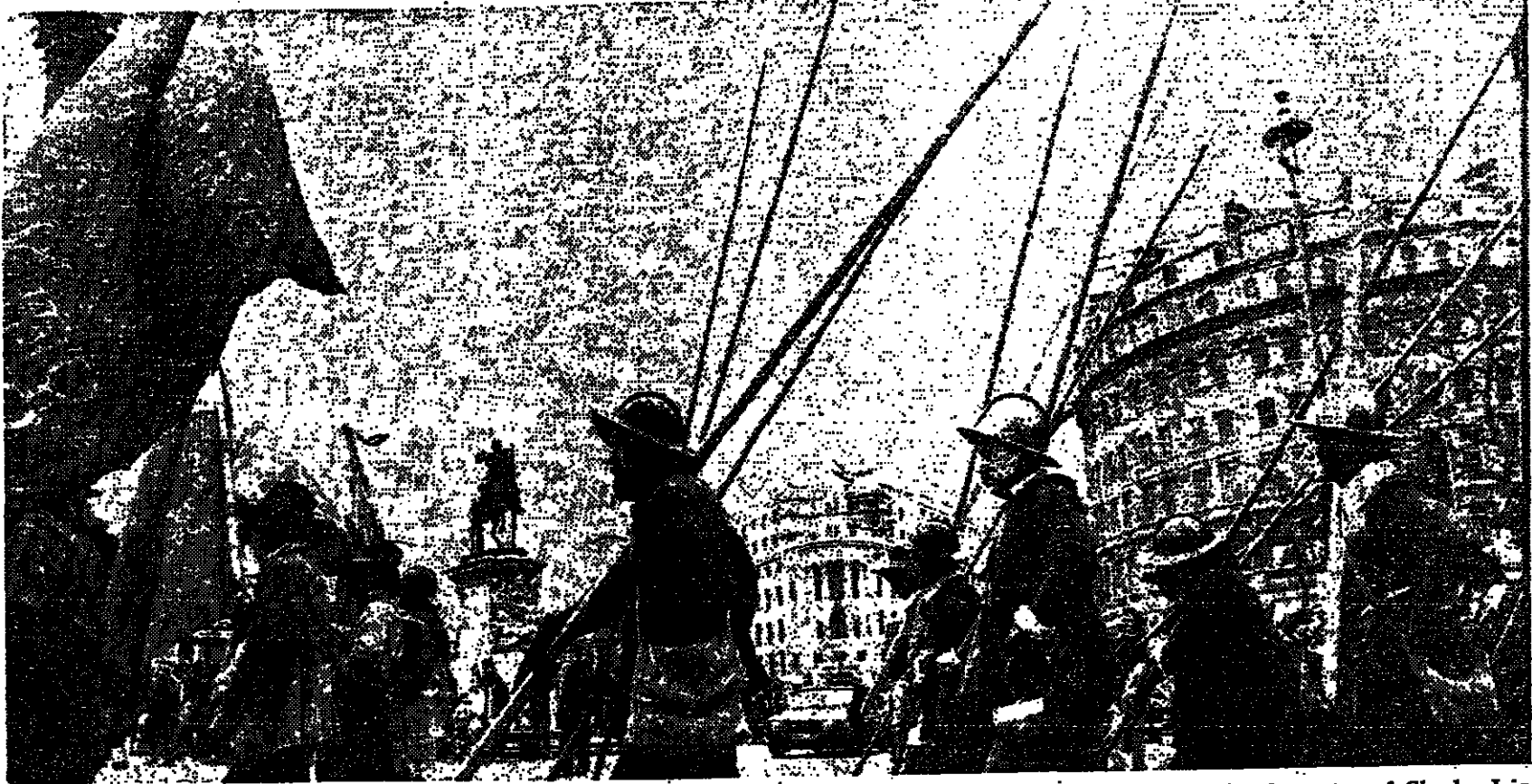
Dying girl's screams were heard for 25 minutes

A girl aged 17 was found dead near a large block of London flats after residents heard screams for help for about twenty-five minutes.

Mr Robert Wareham, who lives in the flats in De Beauvoir Road, Islington, north London, said: "After 15 to 20 minutes the screaming got louder and help was called for a couple of times. Then it just stopped. As a policeman, yes. But as a person, this is a fact of life that we have to live with all the time... people will not call us often enough."

Last night a youth aged 16 was charged with murdering Sharon Locke, Scotland Yard said. He will appear at Highbury Corner Magistrates' Court today.

King's men for a day



PRIVATES' PROGRESS: Members of the English Civil War Society, dressed in seventeenth-century uniform, pass by the statue of Charles I in Trafalgar Square yesterday, after a parade to commemorate his execution. A wreath was laid at the base of the statue before the parade.

Clashes in Gdansk as martial law eases

Continued from page one

politics—is clearly at the root of many of the Military Council's recent actions. It has announced the establishment of a price commission to investigate unwarranted price rises, and a long list of products that will now be subject only to regulated price increases.

This latter measure effectively negates one of the key elements of price reform, the freedom of enterprises to fix prices themselves according to how much it costs to manufacture their products. However, the Government seems reconciled to throwing this theoretical ballast overboard to maintain a degree of public calm.

There is no sign of concessions on the key issues but church authorities say up to 4,000 internees may be released in two months' time if there is no serious unrest.

Mr Lech Walesa, the Solidarity leader, has now been told he is being held in house arrest under the interim regulations. This clears one obstacle for his release to the Church. A statement of his legal status was needed before some form of legally binding transfer document could be drawn up.

As more and more internees

are released, accurate accounts of internment conditions are emerging. One graphic account was made available to Western correspondents at the weekend by a woman released, because of ill health, from a special female centre.

Conditions at first were almost unbearably cold because the women were accommodated in a part of a normal criminal prison that had been unused since March. Clothes had to be washed in the lavatory and frozen in minutes. After a few days, internment became better organized, including daily gymnastics and political education lessons.

For the first fortnight breakfast was a slice of bread, margarine and thin coffee, lunch was soup and dinner was bread and margarine again. After two weeks prisoners were allowed food parcels from relatives—the normal conditions of criminal imprisonment—and an hour's visit from relatives once a month.

There were 80 to a hundred women in the internment wing and most have now been transferred to a new centre believed to be near the Soviet border.

Crisis in culture, page 4

Biggest oil terminal threatened

From Jonathan Willis, Lerwick, Shetland

Britain's biggest oil terminal could be shut down later this month if a planned strike goes ahead at Sullom Voe in Shetland. Three hundred men who operate jetties, oil storage tanks and processing equipment have given notice to BP, the operator of the terminal, that they will go on official strike next Friday in support of a pay claim.

The company has offered an increase of 7 per cent; the men are seeking 15 per cent.

Without the jetty workers the terminal would have to stop loading tankers, and the 16 tanks at Sullom Voe would soon fill. Production at seven offshore oil fields would then have to stop.

At present Sullom Voe is shipping out just under one million tons of crude oil a week, most of it to United Kingdom and European ports. The terminal is due to make its first shipment of liquefied petroleum gas early next April.

This is the first serious industrial dispute among operations staff at the terminal since it opened in November, 1978, although there have been several stoppages by construction workers.

Tory Budget dissenters to coordinate tactics

Continued from page one

would have been defeated in committee, where the Government has only a majority of two. The Opposition is united and at least three Tory MPs are not prepared to support the clause.

Treasury and environment ministers are expected to meet early this week to discuss how the Bill can be amended. The Treasury has opposed the dropping of the power.

But Mr Robin Squire, one of the Conservative MPs on the committee who oppose the plan, has tabled a new clause to end the so-called "mid-year hold-back". He said last night that it was considered unfair because the effect of a future intervention by the secretary of state could not be calculated at the time the council was fixing its rate.

When the committee stage of the Bill resumes tomorrow, the Opposition is to demand a statement from Mr Tom King, Minister for Local Government and Environmental Services, to clarify the position on the offending clause.

Conservative MPs, unhappy at the apparent outcome of last Thursday's Cabinet meet-

ing, are planning informal meetings at Westminster this week to coordinate their tactics for the weeks leading up to the Budget on March 9.

Their discussions will take place against the background of growing concern that the ministers they regarded as their champions in the Cabinet room appear to have agreed too readily to the demands of the Treasury for a cautious Budget.

The "wets" intend, none the less, to keep up their pressure on Sir Geoffrey Howe, the Chancellor of the Exchequer. This week's informal contacts will involve far more than the 34 MPs who demonstrated their dissatisfaction by withholding their support from the Government in a vote on economic policy before Christmas.

Tory dissenters are increasingly talking of up to six of their number considering leaving the party after the Budget if their demands are totally ignored.

But yesterday a new possibility was being canvassed. It was said that at least another half a dozen MPs, who could not bring themselves to join another party, might consider renouncing the Conservative whip.

Fairbairn says rape decision was not his

Mr Nicholas Fairbairn, former Solicitor General for Scotland, who resigned recently over the Glasgow rape case, said yesterday that he had not been informed of the original decision not to prosecute three youths.

He said the decision had been taken by the prosecution lawyers with the "utmost propriety" and he had "taken the rap".

He would not say if he would have taken the same decision had he known of the case at the time. "I might have and I might not have. I certainly would not say that the decision that was taken was wrong."

Mr Fairbairn, MP for Kirkcaldy and West Fife, made his comments in an interview for *Agenda*, BBC Scotland's political programme.

The decision not to prosecute is reported to have been taken after psychiatrists concluded that the women would suffer irreparable mental harm if they had to give evidence. She has since said she hopes to bring a private prosecution against the youths.

Mr Fairbairn said: "I would not have liked to have stood at a dispatch box and defended a situation in which somebody had taken their life as a result of a decision that had been taken by my office."

Mr Fairbairn, who at times in the interview seemed close to tears, denied that Mrs Thatcher asked him to resign. He said he hoped his resignation would restore confidence in Scottish law. He described the Prime Minister as "very loving, very kind, and very compassionate."

He added: "She is one of the most compassionate people I have ever met. She has a real human concern for everybody." For the future, he said that he would write, paint, and serve his constituents. But, asked if he accepted that it was unlikely he would hold office again, he said: "I would not accept that it is unlikely I will receive office again. I may or I may not—just have to wait and see."

Asked if he felt bitter, and if he thought that Lord MacKay, of Clashfern, the Lord Advocate, the senior Scottish law officer, should also resign, Mr Fairbairn said: "Bitterness is not in my nature. And it is for people to make their own decisions as to where their conscience lies."

Mr Fairbairn also spoke of marvellous support from well-wishers, including a group of members of the Great Britain Robbers.

THE TIMES INFORMATION SERVICE

Today's events

Exhibitions
The history of the traction engine: paintings by David Weston, Museum of Transport, Albert Drive, Glasgow, 10 to 5.
Joseph Crawhall, drawings and watercolours, and French watercolours and drawings, at Glasgow Museum and Art Gallery, Kelvingrove, Glasgow, 10 to 5.
Photographer as Printmaker.

The Times Crossword Puzzle No. 15,744

ACROSS

1 A quacker drink than it sounds (4,3)
5 Service on the bench (7)
9 Most books have one - Debreit has many (5,4)
10 Board after time as an aid to travellers (5)
11 Blues a number of these in a row (5)
12 One involved in a hold-up (9)
14 They hope to meet with varying degrees of success (14)
17 Where footnote to account is drawing it mild (14)
21 Some talk of him in song (9)
23 This drink is too much (5)
24 Should be the end of a dry spell (5)
25 Little boy in the cold, where mine is (9)
26 He has lots in this condition (7)

DOWN

1 Seating put on part of the golf course (6)
2 Crazy Goon act takes shape (7)
3 Super-stars in the animal kingdom? (5,4)
4 Not taking the long view, as it were (4-7)

Nature notes

The skylarks now singing over the fields are resident birds, but a complicated pattern of skylark migration is also beginning. Some birds that came here from Northern Europe in the autumn are also to be seen. They are the North Sea, while others are returning to England across the Channel from a winter spent in the south of Europe. Workarcs are also to be seen, but they are now rare birds in Britain, with probably only about 100 pairs remaining on heaths in the south-west and Wales. As the season on some parts of the east coast shorebirds gather to feed among their black and yellow faces.

Early leaves are showing: there are small shoots on the ash, hawthorn, and here and there on the hawthorn. By mid-ditch, the first delicate leaves of cow parsley are spreading, and the young goose-grass is sticky to the touch. The young willow is showing its pink in the sun. The red of the female flowers are forming. Hazel is now seedling known as a shrub, but in Scotland a few large, gnarled trees are found, perhaps similar to the hazel's ancestors.

D.J.M.

The pound

	Bank	Bank
Austria Sch	32.00	30.00
Belgium F	35.00	31.00
Canada \$	2.33	2.33
Denmark Kr	14.80	14.10
France F	6.55	6.55
Germany DM	4.53	4.25
Greece Dr	124.00	115.00
Hong Kong \$	11.30	10.70
Italy Lir	242.50	232.00
Japan Yen	455.00	430.00
Norway Kr	4.57	4.71
Portugal Esc	11.54	10.84
South Africa R	2.04	1.89
Spain Ptas	164.00	165.00
Switzerland Fr	3.63	3.41
USA \$	1.94	1.87
Yugoslavia Dnr	105.00	98.00

Rates for small denomination bank notes only, as supplied yesterday by Barclays Bank International.

London: The FT index closed up 6.9 at 379.8 on Friday.

Sporting fixtures

Football: Two fourth round FA Cup matches, one Scottish Cup game.

Racing: Meetings at Leicester (1.30) and Doncaster (1.45).

Rugby: 5.5 World Sixes Championship: The Ladies Combined Slalom from Haus.

Bond winners

Winning numbers in the weekly draw for £100,000, £50,000 and £25,000 Premium Bond prizes, announced on Saturday, are:

£100,000, No 3VW 745393, the winner lives in Camden, north London; £50,000, No 8VW 880723 (oversubscribed); £25,000, No 23RL 942018 (Belfast).

Parliament today

Commons (2.30): Debate on the new nuclear power programme.

Lords (2.30): Mental Health (Amendment) Bill, committee, third day.

Church music

Southwark Cathedral: Today 1.10, Stephen Darlington (organ) 1.10.

St John's, Smith Square: Today 1.10, Concert by the London Sinfonietta, 7.30 pm; February 2, Lindsey String Quartet, 7.30 pm.

Chichester Cathedral: February 2, Recital by the pupils of Prebendal School, 1.10 pm.

St Paul's Cathedral: February 2, Michael Smith (organ) 12.30 pm.

Durham Cathedral: February 6, Durham Cathedral Concert, 7.30 pm.

New postal charges

Higher postage charges take effect today, when the following new rates will apply:

First class: Up to 60g, 15p; up to 100g, 22p; up to 150g, 28p; up to 200g, 35p; up to 250g, 42p; up to 300g, 49p; up to 350g, 56p; up to 400g, 64p; up to 450g, 72p; up to 500g, 80p; up to 750g, £1.18; up to 1kg, £1.57.

Second class: Up to 60g, 12p; up to 100g, 16p; up to 150g, 20p; up to 200g, 26p; up to 250g, 32p; up to 300g, 38p; up to 350g, 44p; up to 400g, 50p; up to 450g, 56p; up to 500g, 62p; up to 750g, 84p.

The average increase on inland mail (second class rates) is 31 per cent. New national rates are: Up to 1kg, £1.20; £2.10; £3.15; £4.20; £5.25; £6.30; £7.35; £8.40; £9.45; £10.50; £11.55; £12.60; £13.65; £14.70; £15.75; £16.80; £17.85; £18.90; £19.95; £21.00; £22.05; £23.10; £24.15; £25.20; £26.25; £27.30; £28.35; £29.40; £30.45; £31.50; £32.55; £33.60; £34.65; £35.70; £36.75; £37.80; £38.85; £39.90; £40.95; £42.00; £43.05; £44.10; £45.15; £46.20; £47.25; £48.30; £49.35; £50.40; £51.45; £52.50; £53.55; £54.60; £55.65; £56.70; £57.75; £58.80; £59.85; £60.90; £61.95; £63.00; £64.05; £65.10; £66.15; £67.20; £68.25; £69.30; £70.35; £71.40; £72.45; £73.50; £74.55; £75.60; £76.65; £77.70; £78.75; £79.80; £80.85; £81.90; £82.95; £84.00; £85.05; £86.10; £87.15; £88.20; £89.25; £90.30; £91.35; £92.40; £93.45; £94.50; £95.55; £96.60; £97.65; £98.70; £99.75; £100.80; £101.85; £102.90; £103.95; £105.00; £106.05; £107.10; £108.15; £109.20; £110.25; £111.30; £112.35; £113.40; £114.45; £115.50; £116.55; £117.60; £118.65; £119.70; £120.75; £121.80; £122.85; £123.90; £124.95; 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